

NEVADA ECONOMY IN BRIEF

DECEMBER / FOURTH QUARTER 2000

The year 2000 began in Las Vegas with a disappointing lack of New Year's fireworks, but with plenty of economic ones. It ended on the opposite note, with lively New Year's celebrations and large crowds on the Las Vegas Strip (and in Reno and South Lake Tahoe), but with signs of an economic slowdown in evidence. Reflecting the slowing national economy and the lull between periods of megaresort construction, the Las Vegas MSA ended the year with estimated annual job growth of 4.8 percent, well below the 7.8 percent reported in 1999. Nevada as a whole suffered a similar, although smaller, downturn.

The reduction in the number of new jobs in Nevada is a bit misleading. Nevada's 4.5 percent job growth in 2000 led the nation, edging out neighboring Arizona. Only one other state reported growth in excess of 4 percent for the year, and that was another neighbor, Idaho. Furthermore, the slowdown in the U.S. economy is being felt most acutely in the manufacturing sector. Manufacturing is a far less significant presence in Nevada, providing only 45,000 of the state's more than one million jobs.

California, the source of many of Nevada's tourism dollars, was another state that reported strong growth in 2000. California added more than 400,000 jobs, accounting for more than 20 percent of the nation's employment gain. In December the state provided more than half of the nation's new jobs. If California can overcome electric power supply problems and continue its growth, some of its success

will surely spill over into Nevada's tourism industry.

No megaresorts will open in Las Vegas in 2001, but the locals-oriented gaming market remains strong, and plans for future resorts are being developed. Station Casinos has been active in buying and refurbishing hotel-casinos catering to locals; the Orleans

recently announced a significant expansion; and the Palms, now under construction, should open by year-end. Among the proposals for new projects, still largely undefined, are the successor to the Desert Inn and a new resort complex planned for the south end of the Las Vegas Strip. If financing can be found for these projects—and others such as the replacement of the New Frontier—Las Vegas could see another significant wave of resort openings in 2003 and 2004.

Looming over the Las Vegas expansion plans is a national economy that is still headed downward. The Federal Reserve Board responded to evidence that its desired "soft landing" was hardening by decreasing interest rates by one-half percentage point twice in January. The first cut was a real surprise because it came between the Fed's scheduled meetings. Additional cuts in interest rates are expected until the economy rights itself, and further stimulus may be provided by tax cuts proposed by the incoming administration. The 1990's were good economic times in the U.S., and decision-makers at the federal level seem determined to see them continue, even if they disagree on the method.



Nevada's...
job growth in
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4TH QUARTER HIGHLIGHTS

#The Census Bureau reported that Nevada's population increased 66.3 percent in the 1990's, far outdistancing second place Arizona, which grew approximately 40 percent.

#A Costco Warehouse store opened in Carson City, creating nearly 200 new jobs.

#Statewide gross gaming win suffered a year-over-year decline twice in a three-month period for the first time since late 1996.

#Terrible's hotel-casino (formerly the Continental) reopened in Las Vegas after being closed for more than 18 months.

#Mining organizations initiated actions to block new regulations adopted by the Bureau of Land Management that could seriously harm rural Nevada's major industry.

Construction began on the 500,000 square-foot SunMark Plaza shopping center in Henderson.

#Two of Las Vegas' newer gaming properties, the Aladdin and the Regent Las Vegas, were forced to reduce their workforce during the quarter.

NEVADA ECONOMIC DATA

INDUSTRIAL EMPLOYMENT DATA (NUMBER OF JOBS BY PLACE OF WORK)

NEVADA	DEC 00 ^P	DEC 99	NOV 00
TOTAL	1,062,800	1,016,000	1,061,100
MINING	10,900	11,300	11,000
CONSTRUCTION	94,200	91,600	94,200
MANUFACTURING	45,000	42,800	44,800
T.C.P.U. *	57,300	53,000	57,100
TRADE	226,400	212,500	223,400
wholesale	40,200	38,300	40,000
retail	186,200	174,200	183,400
F.I.R.E. **	45,500	44,400	45,400
SERVICES	455,900	437,700	458,100
hotels/gaming/rec.	248,800	244,000	249,900
GOVERNMENT	127,600	122,700	127,100

LAS VEGAS MSA

TOTAL	775,100	740,500	774,300
MINING	1,700	1,800	1,700
CONSTRUCTION	74,600	71,800	74,200
MANUFACTURING	24,700	23,700	24,600
T.C.P.U. *	42,200	39,300	42,100
TRADE	167,000	157,500	164,800
wholesale	24,600	23,500	24,500
retail	142,400	134,000	140,300
F.I.R.E. **	34,800	34,100	34,700
SERVICES	346,400	332,700	348,600
hotels/gaming/rec.	197,900	193,100	198,300
GOVERNMENT	83,700	79,600	83,600

RENO MSA

TOTAL	200,800	193,300	200,400
MINING	400	400	400
CONSTRUCTION	14,900	14,800	15,200
MANUFACTURING	14,600	13,500	14,500
T.C.P.U. *	13,500	12,500	13,500
TRADE	47,200	44,700	46,500
wholesale	12,500	12,000	12,400
retail	34,700	32,700	34,100
F.I.R.E. **	8,300	8,200	8,300
SERVICES	76,500	74,500	76,800
hotels/gaming/rec.	31,900	32,000	32,700
GOVERNMENT	25,400	24,700	25,200

* T.C.P.U. = Transportation, Communications & Public Utilities

** F.I.R.E. = Finance, Insurance & Real Estate

FOR ADDITIONAL LABOR MARKET DATA CONTACT THE RESEARCH & ANALYSIS BUREAU

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LABOR FORCE DATA (BY PLACE OF RESIDENCE)

NEVADA	DEC 00 ^P	DEC 99	NOV 00
LABOR FORCE	1,000,200	958,400	1,011,400
EMPLOYMENT	960,500	924,600	971,200
UNEMPLOYMENT	39,700	33,800	40,200
UNEMP. RATE (see note)	4.5%	4.1%	4.4%

LAS VEGAS MSA

LABOR FORCE	780,400	746,700	788,900
EMPLOYMENT	748,600	719,500	756,600
UNEMPLOYMENT	31,800	27,200	32,300
UNEMP. RATE	4.1%	3.6%	4.1%

RENO MSA

LABOR FORCE	182,800	176,000	184,300
EMPLOYMENT	177,300	171,400	179,100
UNEMPLOYMENT	5,500	4,600	5,200
UNEMP. RATE	3.0%	2.6%	2.8%

UNITED STATES

UNEMP. RATE (see note)	4.0%	4.1%	4.0%
JOB GROWTH (see note)	1.5%	2.2%	1.6%

U.S. INFLATION DATA

CONSUMER PRICE INDEX (1982-84=100)	174.0	168.3	174.1
12-MONTH % CHANGE	3.4%	2.7%	3.4%

^P DATA FOR CURRENT MONTH IS PRELIMINARY.

NOTE: NEVADA AND U.S. UNEMPLOYMENT RATES AND
U.S. JOB GROWTH RATE ARE SEASONALLY ADJUSTED.

*This data is prepared in conjunction with the Bureau
of Labor Statistics, U.S. Department of Labor.*

AVERAGE HOURS AND EARNINGS IN SELECTED NEVADA INDUSTRIES

	AVERAGE WEEKLY EARNINGS			AVERAGE WEEKLY HOURS			AVERAGE HOURLY EARNINGS		
	DEC ^P	DEC	NOV	DEC ^P	DEC	NOV	DEC ^P	DEC	NOV
	2000	1999	2000	2000	1999	2000	2000	1999	2000
MINING	\$993.96	\$940.73	\$993.38	44.0	45.8	43.8	\$22.59	\$20.54	\$22.68
CONSTRUCTION	817.00	791.32	816.21	38.0	37.7	37.7	21.50	20.99	21.65
MANUFACTURING	618.57	558.03	615.63	43.5	41.8	43.6	14.22	13.35	14.12
durable goods	626.02	559.44	615.17	45.2	43.3	45.2	13.85	12.92	13.61
nondurable goods	605.81	553.50	613.45	40.2	39.2	40.2	15.07	14.12	15.26
PUBLIC UTILITIES	881.56	906.48	873.38	41.8	42.9	41.1	21.09	21.13	21.25
TRADE	387.81	384.36	393.12	31.3	30.7	31.5	12.39	12.52	12.48
wholesale	649.78	655.82	670.63	38.2	39.2	39.8	17.01	16.73	16.85
retail	333.09	326.28	334.36	29.9	28.9	29.8	11.14	11.29	11.22

THE NEVADA MANUFACTURING INDUSTRY

excerpt from research by Barbara Woodmansee

The manufacturing industry is the industry that converts raw materials to finished products for consumers. The raw materials, however, are rarely processed directly into the final product. Intermediate goods are usually produced in the manufacturing chain (e.g., wheat, the raw material, is first converted into flour, the intermediate good, on its way to what may eventually be Truckee Sourdough Bread® or Hostess Twinkies®, the finished products).

The industry is separated into durable and non-durable manufacturing, a division largely based on the expected life span of the product. If the product is expected to last three years or more (e.g., refrigerators or automobiles), the industry producing it is “durable manufacturing.” Anything else is “non-durable.”

About 60 percent of Nevada’s 42,400 manufacturing jobs are in durable manufacturing, but the largest major manufacturing group is “printing, publishing, and allied industries,” a non-durable manufacturing industry supplying more than 5,700 jobs in Nevada. The rest of Nevada’s manufacturing jobs are spread across more than a dozen major groups; and no single firm or set of firms dominates Nevada the way, for instance, Boeing Aircraft dominates Washington or the automobile manufacturers dominate Michigan. In fact, no manufacturing firm is even found in the list of the state’s 50 largest firms.

Only about 4.3 percent of all the jobs in Nevada come from manufacturing, but it is a key part in the economies of some parts of the state. For instance, manufacturing contributes more than 7,300 jobs to the Carson Labor Market Area (Douglas, Lyon, and Storey counties and Carson City), about 12.3 percent of all jobs in that region. Another 13,000 manufacturing jobs are found in the Reno-Sparks area, and almost 20,000 are in Clark County, largely in Henderson and North Las Vegas.

Of particular note is that Nevada’s manufacturing industry employment growth pattern has been totally unlike the national pattern. While national manufacturing has lost 4.5 percent of its jobs in the last ten years, largely due to job relocation in foreign countries, Nevada has added about 17,000 jobs, a 67.3 percent gain. Although manufacturing is but a small part of the Nevada economy, it has maintained its share in the fastest growing state economy in the nation.

Nevada Manufacturing Export Information

National Rank in Exports 45

Five Leading Export Markets in 1999:

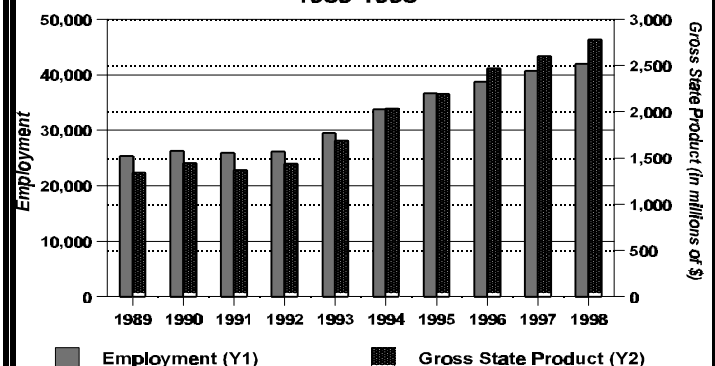
Canada	\$515.1 million
Japan	\$86.4 million
France	\$74.9 million
Mexico	\$61.5 million
United Kingdom	\$59.8 million

Top Five Export Industries in 1999:

Electric & Electronic Equipment	\$265.7 million
Miscellaneous Manufacturing	\$198.2 million
Transportation Equipment	\$173.5 million
Industrial Machinery	\$108.2 million
Instruments & Related Products	\$96.9 million

Nevada Manufacturing

1989-1998



INDUSTRIAL EMPLOYMENT - SEASONALLY ADJUSTED¹

(in thousands)

NEVADA

	<u>Jul.'00</u>	<u>Aug.'00</u>	<u>Sep.'00</u>	<u>Oct.'00</u>	<u>Nov.'00</u>	<u>Dec.'00</u>
TOTAL	1032.4	1036.7	1042.3	1043.9	1048.8	1056.0
Mining	11.0	11.0	11.1	11.0	11.1	11.0
Construction	91.6	92.1	92.1	92.3	92.6	93.9
Manufacturing	44.0	44.1	44.2	44.4	44.6	45.0
<i>Durable Goods</i>	27.3	27.3	27.3	27.6	27.7	28.0
<i>Non-durable Goods</i>	16.7	16.8	16.9	16.8	16.9	17.0
TCPU	54.5	54.7	55.2	56.1	56.6	57.1
Trade	213.4	215.1	216.7	218.2	220.1	221.5
<i>Wholesale</i>	39.0	39.0	39.4	39.7	39.8	40.2
<i>Retail</i>	174.4	176.1	177.3	178.5	180.3	181.3
FIRE	44.6	44.9	45.0	45.2	45.3	45.5
Services	449.7	452.7	454.7	453.8	455.2	456.9
<i>HGR</i>	247.7	251.1	251.9	250.7	250.8	251.5
Government	123.6	122.1	123.3	122.9	123.3	125.1

¹ Seasonally adjusted data are adjusted for regularly occurring seasonal events that alter the economic status quo, e.g. Christmas. It will not be the same as unadjusted data.

Seasonally adjusted employment data is provided on a monthly basis on our Web site. Monthly data is provided for a number of sub-sectors, such as federal, state, and local government.

NOTE: Seasonal adjustment factors have not yet been established for the Las Vegas MSA and the Reno MSA for the current year. Seasonally adjusted data for these areas will be published when it becomes available.

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Department of Employment, Training & Rehabilitation
Research & Analysis Bureau
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NEVADA ECONOMY IN BRIEF

NOVEMBER 2000

At its December meeting the Federal Reserve Board confirmed what recent reports have indicated—the U.S. economy is decelerating rapidly and the Fed's interest rate increases to slow the economy may have worked too well. Nevada's economic expansion also appears to be moderating, though it remains formidable by any standard other than its own recent performance. Slower growth of both the state and national economies is likely to continue in the near future.

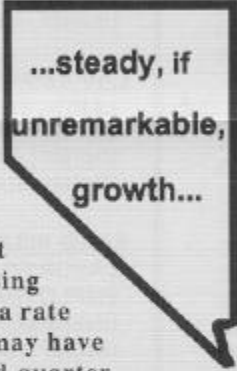
The Fed held interest rates steady in December, but indicated a change in its short-term focus from fighting inflation to heading off the threat of recession. The announcement marked a sudden shift from the Fed's previous bias toward raising interest rates. Most analysts now expect a rate cut early in 2001. A number of reports may have contributed to the Fed's concerns. Third quarter Gross Domestic Product was revised downward to 2.2 percent, the lowest in four years and more than a percentage point below the Fed's target growth rate. The construction, manufacturing, and retail sectors have all shown signs of weakness. Corporate earnings in several industries have fallen below expectations. Although the U.S. unemployment rate remains low, other indicators show some easing in the job market. New claims for unemployment insurance benefits reached their highest level since July 1998, and year-over-year U.S. employment growth has fallen below 2 percent for four consecutive months

for the first time since 1996.

Signs of moderation can also be seen in the Nevada economy. The state still ranks—and should remain—among the nation's leaders in the rate of job creation, but the current growth rate is well below that of 1999, particularly in southern Nevada. With no new megaresorts planned for the next two years, it is unrealistic to expect a return to 1999's pace. The Reno MSA has contributed substantially to this year's job growth, but its rate of increase traditionally trails the Las Vegas MSA by more than two percentage points, reflective of more rapid population growth in the southern part of the state. Meanwhile, low gold prices and the absence of major new projects suggest that no turnaround is imminent in the rural counties.

Clark County's casinos rebounded from September's decline with a 3.9 percent year-over-year rise in gross gaming win in October. The increase occurred despite having one less weekend day than October 1999. The state's other major gaming jurisdictions, which had outperformed Clark County in the previous month, suffered year-over-year declines in October. The net result was a 2.0 percent gain statewide, modest by recent standards. With existing Las Vegas hotels and motels already reporting 90 percent room occupancy, the growth in visitor counts and gaming revenues will inevitably be constrained.

While recent U.S. and Nevada economic trends provide some cause for concern, a slowdown was unavoidable. The previous growth rates could not be maintained indefinitely. Few analysts predict major problems for Nevada, which should see steady, if unremarkable, growth over the next two years.



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NEVADA ECONOMIC DATA

INDUSTRIAL EMPLOYMENT DATA

(NUMBER OF JOBS BY PLACE OF WORK)

NEVADA	NOV 00 ^P	NOV 99	OCT 00
TOTAL	1,061,100	1,015,600	1,054,200
MINING	11,000	11,300	11,000
CONSTRUCTION	94,400	92,300	94,300
MANUFACTURING	44,800	42,800	44,600
T.C.P.U. *	57,000	52,700	56,500
TRADE	223,400	210,300	219,000
wholesale	40,000	38,300	39,800
retail	183,400	172,000	179,200
F.I.R.E. **	45,400	44,700	45,200
SERVICES	458,100	439,500	457,600
hotels/gaming/rec.	249,900	244,300	251,900
GOVERNMENT	127,000	122,000	126,000

LAS VEGAS MSA

TOTAL	774,100	740,300	767,400
MINING	1,700	1,800	1,700
CONSTRUCTION	74,100	72,000	73,600
MANUFACTURING	24,600	23,700	24,500
T.C.P.U. *	42,100	39,000	41,700
TRADE	164,800	155,900	161,500
wholesale	24,500	23,400	24,300
retail	140,300	132,500	137,200
F.I.R.E. **	34,700	34,200	34,700
SERVICES	348,500	334,000	347,100
hotels/gaming/rec.	198,300	192,900	199,000
GOVERNMENT	83,600	79,700	82,600

RENO MSA

TOTAL	200,600	192,700	200,300
MINING	400	400	400
CONSTRUCTION	15,300	15,100	15,600
MANUFACTURING	14,500	13,500	14,300
T.C.P.U. *	13,500	12,300	13,400
TRADE	46,600	44,300	46,000
wholesale	12,400	12,000	12,400
retail	34,200	32,300	33,600
F.I.R.E. **	8,300	8,200	8,200
SERVICES	76,700	74,600	77,100
hotels/gaming/rec.	32,700	32,400	33,300
GOVERNMENT	25,300	24,300	25,300

* T.C.P.U. = Transportation, Communications & Public Utilities

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LABOR FORCE DATA (BY PLACE OF RESIDENCE)

NEVADA	NOV 00 ^P	NOV 99	OCT 00
LABOR FORCE	1,011,100	959,900	1,009,300
EMPLOYMENT	971,200	922,800	969,300
UNEMPLOYMENT	39,900	37,100	40,000
UNEMP. RATE (see note)	4.4%	4.3%	4.2%

LAS VEGAS MSA

LABOR FORCE	788,800	747,200	785,200
EMPLOYMENT	756,500	717,500	751,800
UNEMPLOYMENT	32,300	29,700	33,400
UNEMP. RATE	4.1%	4.0%	4.3%

RENO MSA

LABOR FORCE	184,400	175,300	184,200
EMPLOYMENT	179,300	170,400	179,500
UNEMPLOYMENT	5,100	4,900	4,700
UNEMP. RATE	2.8%	2.8%	2.6%

UNITED STATES

UNEMP. RATE (see note)	4.0%	4.1%	3.9%
JOB GROWTH (see note)	1.6%	2.2%	1.8%

U.S. INFLATION DATA

CONSUMER PRICE INDEX (1982-84=100)	174.1	168.3	174.0
12-MONTH % CHANGE	3.4%	2.6%	3.4%

^P DATA FOR CURRENT MONTH IS PRELIMINARY.

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AVERAGE HOURS AND EARNINGS IN SELECTED NEVADA INDUSTRIES

	AVERAGE WEEKLY EARNINGS			AVERAGE WEEKLY HOURS			AVERAGE HOURLY EARNINGS		
	NOV ^P	NOV	OCT	NOV ^P	NOV	OCT	NOV ^P	NOV	OCT
	2000	1999	2000	2000	1999	2000	2000	1999	2000
MINING	\$974.91	\$1023.36	\$1007.53	44.7	46.9	45.1	\$21.81	\$21.82	\$22.34
CONSTRUCTION	809.17	749.23	854.51	37.9	35.9	39.8	21.35	20.87	21.47
MANUFACTURING	600.48	560.88	592.02	43.2	41.0	42.9	13.90	13.68	13.80
durable goods	602.55	563.98	589.63	44.6	42.5	44.3	13.51	13.27	13.31
nondurable goods	595.63	557.28	598.18	40.3	38.7	40.2	14.78	14.40	14.88
PUBLIC UTILITIES	866.67	919.35	877.31	40.9	42.9	41.5	21.19	21.43	21.14
TRADE	395.91	379.09	396.84	31.8	30.4	31.9	12.45	12.47	12.44
wholesale	676.09	650.80	654.17	40.1	38.9	38.8	16.86	16.73	16.86
retail	335.40	319.20	339.87	30.0	28.5	30.4	11.18	11.20	11.18

NEVADA ECONOMY IN BRIEF

OCTOBER 2000

Trouble was brewing on a variety of fronts as the fall quarter reached its midpoint. Uncertainty over the outcome of the Presidential election, a slowing economy, continued high oil prices, a volatile stock market, falling gold prices, and surprising gaming returns all contributed to the anxiety. In reality, only a small portion of the news was truly unexpected, although anyone who had forecast the Presidential election aftermath probably would have been subject to ridicule.

A majority of recent economic reports confirm that the U.S. economy has indeed slowed. The initial estimate of third quarter Gross Domestic Product (GDP) showed the economy growing at a 2.7 percent annual rate. While the figure is subject to revision, the reported growth rate is less than half that of the second quarter. Slower growth was also apparent in lower corporate earnings, which contributed to a decline in stock prices. The market was further rattled when the Federal Reserve Board, although holding interest rates steady once again, reiterated its concern over potential inflation and left open the possibility of further rate boosts. An announcement by the Organization of Petroleum Exporting Countries (OPEC) that oil production would not be increased for the rest of the year lent credence to inflation worries.

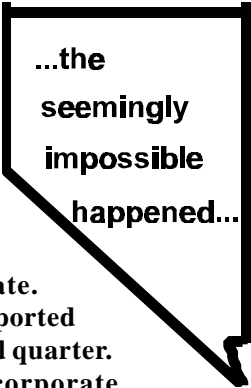
Meanwhile, the seemingly impossible happened in Nevada's casinos. September's gaming win declined

3.8 percent year-over-year following 30 consecutive monthly increases. Even more surprising, the decrease came entirely from the Las Vegas area, which had recorded a double-digit gain in the previous fiscal year. There were several extenuating circumstances. September 1999, the basis of the comparison, was an exceptional month for Clark County. It included a major resort opening, a well-attended championship fight, and two large conventions that were not held

in September this year. When September's results are compared to the same month two years earlier, a normal pattern emerges. The exceptional growth of gaming revenues in the past two years is, however, a double-edged sword. It is difficult, without new resort development, to envision more than modest increases in coming months.

Rural Nevada's counties suffered a pair of blows in the past month. Gold prices fell again, settling to \$265 per ounce and further dampening short-term prospects for mining's recovery. Then, in a tax ruling that will help mining companies at the expense of local governments, a firm was granted an accelerated depreciation schedule for its mine assets. The ruling, which may establish a precedent, will result in a loss of property tax revenues for mining counties already hurt by reduced mine payrolls and declining taxable sales.

Despite the plethora of unsettling news, the Nevada and U.S. economies remain strong. Unemployment is low, consumer optimism remains high, inflation is modest, and jobs are plentiful. Most analysts still believe that the Federal Reserve has engineered another "soft landing" of the economy.



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NEVADA ECONOMIC DATA

INDUSTRIAL EMPLOYMENT DATA (NUMBER OF JOBS BY PLACE OF WORK)

NEVADA	OCT 00 ^P	OCT 99	SEP 00
TOTAL	1,054,100	1,011,500	1,046,900
MINING	11,000	11,500	11,100
CONSTRUCTION	94,300	92,500	94,100
MANUFACTURING	44,600	42,700	44,400
T.C.P.U. *	56,200	52,700	55,600
TRADE	219,200	207,000	217,300
wholesale	39,800	38,200	39,500
retail	179,400	168,800	177,800
F.I.R.E. **	45,300	44,500	45,000
SERVICES	457,700	438,700	457,100
hotels/gaming/rec.	252,200	246,000	253,500
GOVERNMENT	125,800	121,900	122,300

LAS VEGAS MSA

TOTAL	767,700	734,700	761,500
MINING	1,700	1,800	1,800
CONSTRUCTION	73,700	71,800	73,500
MANUFACTURING	24,500	23,600	24,400
T.C.P.U. *	41,500	38,900	41,000
TRADE	161,700	152,900	160,200
wholesale	24,300	23,200	24,100
retail	137,400	129,700	136,100
F.I.R.E. **	34,700	34,000	34,400
SERVICES	347,300	332,900	346,300
hotels/gaming/rec.	199,400	194,000	199,700
GOVERNMENT	82,600	78,800	79,900

RENO MSA

TOTAL	199,500	192,100	198,800
MINING	400	400	400
CONSTRUCTION	15,600	15,200	15,500
MANUFACTURING	14,300	13,300	14,200
T.C.P.U. *	13,200	12,400	13,100
TRADE	45,900	43,800	45,600
wholesale	12,400	12,000	12,300
retail	33,500	31,800	33,300
F.I.R.E. **	8,200	8,200	8,200
SERVICES	76,900	74,500	77,400
hotels/gaming/rec.	33,200	32,700	34,000
GOVERNMENT	25,000	24,300	24,400

* T.C.P.U. = Transportation, Communications & Public Utilities

** F.I.R.E. = Finance, Insurance & Real Estate

FOR ADDITIONAL LABOR MARKET DATA CONTACT THE RESEARCH & ANALYSIS BUREAU

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LABOR FORCE DATA (BY PLACE OF RESIDENCE)

NEVADA	OCT 00 ^P	OCT 99	SEP 00
LABOR FORCE	1,009,200	959,500	1,011,100
EMPLOYMENT	969,300	919,000	970,700
UNEMPLOYMENT	39,900	40,500	40,400
UNEMP. RATE (see note)	4.2%	4.5%	4.0%

LAS VEGAS MSA

LABOR FORCE	785,700	746,700	785,800
EMPLOYMENT	752,400	713,500	752,400
UNEMPLOYMENT	33,300	33,200	33,400
UNEMP. RATE	4.2%	4.4%	4.3%

RENO MSA

LABOR FORCE	183,600	175,100	184,600
EMPLOYMENT	178,900	170,200	179,700
UNEMPLOYMENT	4,700	4,900	4,900
UNEMP. RATE	2.6%	2.8%	2.7%

UNITED STATES

UNEMP. RATE (see note)	3.9%	4.1%	3.9%
JOB GROWTH (see note)	1.8%	2.2%	1.9%

U.S. INFLATION DATA

CONSUMER PRICE INDEX (1982-84=100)	174.0	168.2	173.7
12-MONTH % CHANGE	3.4%	2.6%	3.5%

^P DATA FOR CURRENT MONTH IS PRELIMINARY.

NOTE: NEVADA AND U.S. UNEMPLOYMENT RATES AND
U.S. JOB GROWTH RATE ARE SEASONALLY ADJUSTED.

*This data is prepared in conjunction with the Bureau
of Labor Statistics, U.S. Department of Labor.*

AVERAGE HOURS AND EARNINGS IN SELECTED NEVADA INDUSTRIES

	AVERAGE WEEKLY EARNINGS			AVERAGE WEEKLY HOURS			AVERAGE HOURLY EARNINGS		
	OCT ^P	OCT	SEP	OCT ^P	OCT	SEP	OCT ^P	OCT	SEP
	2000	1999	2000	2000	1999	2000	2000	1999	2000
MINING	\$967.12	\$989.63	\$1010.50	43.9	44.8	45.6	\$22.03	\$22.09	\$22.16
CONSTRUCTION	844.34	819.52	861.67	39.4	39.4	39.8	21.43	20.80	21.65
MANUFACTURING	590.44	550.39	594.03	42.6	40.8	42.1	13.86	13.49	14.11
durable goods	584.71	538.46	593.40	43.7	42.1	43.6	13.38	12.79	13.61
nondurable goods	600.87	569.28	597.36	40.3	38.7	39.3	14.91	14.71	15.20
PUBLIC UTILITIES	872.67	883.55	880.27	41.3	43.1	41.0	21.13	20.50	21.47
TRADE	391.84	370.58	399.41	31.6	30.5	31.8	12.40	12.15	12.56
wholesale	656.24	644.67	654.80	38.9	39.0	38.7	16.87	16.53	16.92
retail	333.00	309.74	341.26	30.0	28.6	30.2	11.10	10.83	11.30

NEVADA ECONOMY IN BRIEF

SEPTEMBER / THIRD QUARTER 2000

The third quarter ended with no major shocks to the Nevada economy—although rural Nevada again felt minor tremors. The Las Vegas and Reno economies remain strong, and unemployment remains low. The economic growth witnessed in recent years may slow somewhat in coming months, however, pulled down by national and international events as well as the normal ebb and flow of the business cycle. Rural Nevada faces the loss of more mining jobs, with significant relief still two or three years away. Downtown Las Vegas, on the other hand, has seen several positive developments.

Just when oil prices began to moderate, an apparent terrorist attack against a U.S. Navy warship and an outbreak of violence between Israel and the Palestinians set the Middle East on edge once again. Oil becomes an economic wild card at any sign of instability in that region, so the future direction of petroleum prices is nearly impossible to predict. Meanwhile, most national economic reports indicate that the U.S. economy, while still strong, is indeed slowing. The stock market has responded to reports of reduced corporate earnings with extreme skittishness and a considerable loss of paper wealth. Added to the mix is a U.S. presidential election that could result in a change of party in the White House. In short, uncertainty abounds.

Now that Las Vegas has stopped building major resorts (defined as costing more than \$750 million) for a while, job growth will come from other sources

and “small” (i.e., \$250 million plus or minus) off-Strip hotel-casinos are under development. Vacant railroad land in downtown Las Vegas has been projected as the site of a high-tech business incubator and a massive furniture mart. Even the Neonopolis entertainment and retail complex in downtown Las Vegas, which has struggled for years to get off the ground, has seen renewed activity.

The problems in Nevada’s rural counties continue. The Dee Mine in Elko County, unprofitable at current gold prices, will close, putting 32 company employees and a number of contract miners out of work. Open pit operations at the McCoy/Cove Mine in Lander County are being halted, resulting in about 75 layoffs. Another blow to the Elko/Eureka area came from the closure of the University of Nevada’s Fire Science Academy near Carlin. The closure, which ideally will last only a few months, eliminated about 15 jobs and will reduce business at Elko’s hotels and motels.

Despite its short-term troubles, the long-term trend for mining in Nevada remains positive. Exploration has yielded promising results at several sites. Production costs at Nevada’s mines fell about \$50 per ounce between 1997 and 1999 and remain the lowest in the world. If the Getchell, South Pipeline, and Phoenix projects come online as planned, economic stability could return to several rural Nevada counties for several years to come.



...uncertainty
abounds.

3RD QUARTER HIGHLIGHTS

#Two new hotel-casinos, the Aladdin and the Suncoast, opened in the Las Vegas area, and the 50-year-old Desert Inn closed.

#American Airlines dropped 60 percent of its service to the Reno/Tahoe International Airport. Other airlines have picked up only one-third of the seats.

#What could become the state’s largest master-planned community was proposed for an area straddling the Clark County-Lincoln County line. New shopping malls, call centers, warehouse operations,

#Several electric power plant projects were proposed for Clark County to help keep up with the demands of a growing population.

#Global Communications Inc. canceled plans for an expansion in the Las Vegas area that would have created at least 400 jobs.

#Nearly \$650 million in bonds were sold to finance a passenger monorail along the Las Vegas Strip that is scheduled to open in 2004.

#Farmers, ranchers, and businesses in several rural Nevada counties were declared eligible for low-cost federal loans in the wake of wildfires and drought.

NEVADA ECONOMIC DATA

INDUSTRIAL EMPLOYMENT DATA (NUMBER OF JOBS BY PLACE OF WORK)

NEVADA	SEP 00 ^P	SEP 99	AUG 00
TOTAL	1,047,100	1,001,600	1,036,500
MINING	11,100	11,600	11,200
CONSTRUCTION	94,200	91,800	94,900
MANUFACTURING	44,300	42,500	44,200
T.C.P.U. *	55,700	52,500	55,100
TRADE	217,400	206,000	215,200
wholesale	39,500	38,100	39,300
retail	177,900	167,900	175,900
F.I.R.E. **	45,100	44,400	45,100
SERVICES	457,700	436,100	455,900
hotels/gaming/rec.	253,900	244,700	254,000
GOVERNMENT	121,600	116,700	114,900

LAS VEGAS MSA

TOTAL	761,400	726,400	752,700
MINING	1,800	1,800	1,800
CONSTRUCTION	73,600	71,500	74,000
MANUFACTURING	24,400	23,500	24,400
T.C.P.U. *	41,100	38,600	40,800
TRADE	160,300	152,000	158,700
wholesale	24,100	23,100	23,900
retail	136,200	128,900	134,800
F.I.R.E. **	34,500	33,900	34,500
SERVICES	346,400	330,400	344,100
hotels/gaming/rec.	199,700	192,800	199,400
GOVERNMENT	79,300	74,700	74,400

RENO MSA

TOTAL	198,900	191,200	197,400
MINING	400	400	400
CONSTRUCTION	15,500	14,900	15,700
MANUFACTURING	14,200	13,300	14,000
T.C.P.U. *	13,100	12,300	12,900
TRADE	45,600	43,500	45,300
wholesale	12,300	11,900	12,300
retail	33,300	31,600	33,000
F.I.R.E. **	8,300	8,100	8,200
SERVICES	77,200	74,800	78,100
hotels/gaming/rec.	33,900	33,100	34,500
GOVERNMENT	24,600	23,900	22,800

* T.C.P.U. = Transportation, Communications & Public Utilities

** F.I.R.E. = Finance, Insurance & Real Estate

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LABOR FORCE DATA (BY PLACE OF RESIDENCE)

NEVADA	SEP 00 ^P	SEP 99	AUG 00
LABOR FORCE	1,010,900	954,900	999,400
EMPLOYMENT	970,700	911,000	960,100
UNEMPLOYMENT	40,200	43,900	39,300
UNEMP. RATE (see note)	4.0%	4.6%	3.8%

LAS VEGAS MSA

LABOR FORCE	785,400	741,600	775,800
EMPLOYMENT	752,000	705,900	743,100
UNEMPLOYMENT	33,400	35,700	32,700
UNEMP. RATE	4.3%	4.8%	4.2%

RENO MSA

LABOR FORCE	184,600	174,900	183,000
EMPLOYMENT	179,700	169,400	178,100
UNEMPLOYMENT	4,900	5,500	4,900
UNEMP. RATE	2.7%	3.2%	2.7%

UNITED STATES

UNEMP. RATE (see note)	3.9%	4.2%	4.1%
JOB GROWTH (see note)	1.9%	2.2%	1.9%

U.S. INFLATION DATA

CONSUMER PRICE INDEX (1982-84=100)	173.7	167.9	172.8
12-MONTH % CHANGE	3.5%	2.6%	3.4%

^P DATA FOR CURRENT MONTH IS PRELIMINARY.

NOTE: NEVADA AND U.S. UNEMPLOYMENT RATES AND
U.S. JOB GROWTH RATE ARE SEASONALLY ADJUSTED.

*This data is prepared in conjunction with the Bureau
of Labor Statistics, U.S. Department of Labor.*

AVERAGE HOURS AND EARNINGS IN SELECTED NEVADA INDUSTRIES

	AVERAGE WEEKLY EARNINGS			AVERAGE WEEKLY HOURS			AVERAGE HOURLY EARNINGS		
	SEP ^P	SEP	AUG	SEP ^P	SEP	AUG	SEP ^P	SEP	AUG
	2000	1999	2000	2000	1999	2000	2000	1999	2000
MINING	\$966.52	\$1006.19	\$987.46	43.4	47.8	44.5	\$22.27	\$21.05	\$22.19
CONSTRUCTION	882.42	815.63	893.39	41.1	39.1	41.0	21.47	20.86	21.79
MANUFACTURING	588.27	584.51	589.78	42.2	41.9	42.4	13.94	13.95	13.91
durable goods	592.04	564.40	591.30	43.5	42.5	43.8	13.61	13.28	13.50
nondurable goods	580.41	616.64	586.77	39.7	41.0	39.7	14.62	15.04	14.78
PUBLIC UTILITIES	868.08	938.71	880.58	41.2	43.6	41.4	21.07	21.53	21.27
TRADE	407.01	379.45	404.68	32.2	30.7	32.4	12.64	12.36	12.49
wholesale	671.50	662.08	673.96	39.2	38.9	38.8	17.13	17.02	17.37
retail	347.31	316.74	344.41	30.6	28.9	31.0	11.35	10.96	11.11

MANUFACTURING EMPLOYMENT

A previous edition of this newsletter discussed economic diversification in Nevada over the past two decades. It noted that Nevada's employment mix has changed very little since 1982. The article also noted, however, that Nevada had bucked the national trend toward declining manufacturing employment. The charts on this page should help illustrate this point, as well as provide some insight into the role that California's economic troubles played in Nevada's manufacturing gain.

The U.S. economy entered a recession in the early 1990's. Employment fell for 15 consecutive months from the beginning of 1991 through the first quarter of 1992 when compared on a year-over-year basis. Chart 1 shows that California's decline extended well beyond the period of the national recession. Total employment in California fell for three straight years (1991-1993), while manufacturing lost jobs for five consecutive years from 1990 through 1994. The manufacturing sector performed worse than the rest of California's economy throughout this period.

Nevada fared considerably better during the national

recession. Nevada recorded minimal job growth in 1991 and 1992, with manufacturing employment declining only in 1991. But Chart 2 also shows what happened in Nevada after the current national expansion began and while California's problems lingered. California's continued loss of manufacturing jobs in 1993 and 1994—and only minimal recovery in 1995—contrasted with a relative explosion of manufacturing growth in Nevada. The Silver State gained more than 10,000 manufacturing jobs in the same three-year period, an increase of 40 percent, and was aided by the migration of some California firms to Nevada. When California's economy recovered fully in the second half of the decade, however, Nevada's rate of manufacturing job growth decreased significantly.

In conclusion, Charts 3 and 4 show a decidedly different growth pattern for Nevada compared to both California and the U.S. as a whole. During the 10-year period from 1989 to 1999 both the U.S. and California economies lost manufacturing jobs, while for every three manufacturing jobs that existed in 1989, Nevada gained two new ones.

CHART 1

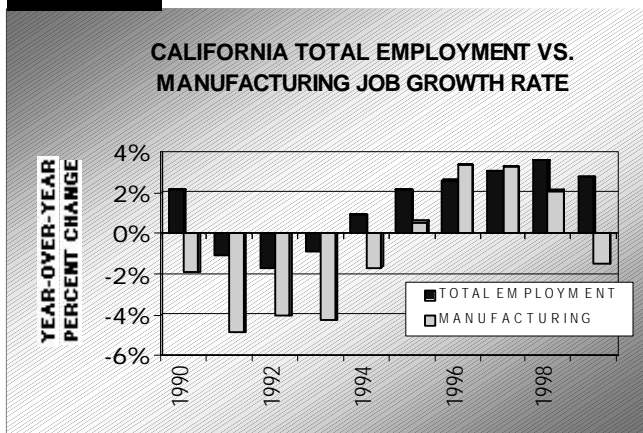


CHART 2

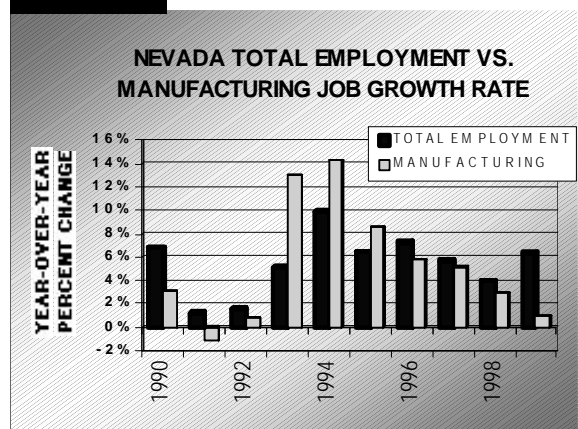


CHART 3

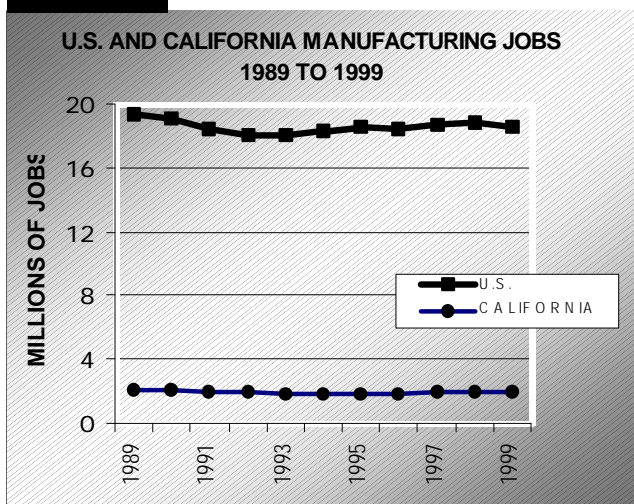
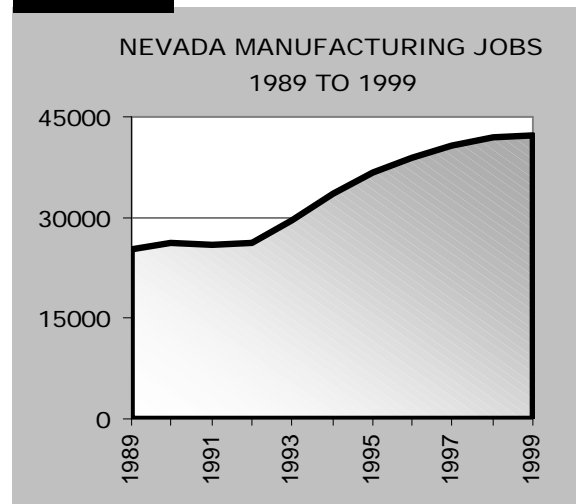


CHART 4



INDUSTRIAL EMPLOYMENT - SEASONALLY ADJUSTED¹

(in thousands)

NEVADA

	Apr.'00	May'00	Jun.'00	Jul.'00	Aug.'00	Sep.'00
TOTAL	1015.3	1022.1	1023.5	1032.4	1036.7	1042.5
Mining	11.3	11.2	11.0	11.0	11.0	11.1
Construction	91.9	91.7	91.7	91.6	92.1	92.2
Manufacturing	43.1	43.3	43.5	44.0	44.1	44.1
Durable Goods	26.9	26.8	26.9	27.3	27.3	27.2
Non-durable Goods	16.2	16.5	16.6	16.7	16.8	16.9
TCPU	54.2	53.9	54.0	54.5	54.7	55.3
Trade	208.9	210.0	211.2	213.4	215.1	216.8
Wholesale	38.5	38.6	38.8	39.0	39.0	39.4
Retail	170.4	171.4	172.4	174.4	176.1	177.4
FIRE	44.4	44.7	44.6	44.6	44.9	45.1
Services	441.3	443.0	446.5	449.7	452.7	455.3
HGR	243.7	244.7	246.2	247.7	251.1	252.3
Government	120.2	124.3	121.0	123.6	122.1	122.6

¹ Seasonally adjusted data are adjusted for regularly occurring seasonal events that alter the economic status quo, e.g. Christmas. It will not be the same as unadjusted data.

Seasonally adjusted employment data is provided on a monthly basis on our Web site. Monthly data is provided for a number of sub-sectors, such as federal, state, and local government.

NOTE: Seasonal adjustment factors have not yet been established for the Las Vegas MSA and the Reno MSA for the current year. Seasonally adjusted data for these areas will be published when it becomes available.

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Department of Employment, Training & Rehabilitation
Research & Analysis Bureau
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NEVADA ECONOMY IN BRIEF

AUGUST 2000


Rising oil prices, a growing concern for the past 18 months, appear to be developing into a potentially significant threat to economic prosperity in the industrialized nations. Crude oil prices have reached their highest levels in a decade and so far have resisted the desired effects of production increases. Both the president of the Organization of Petroleum Exporting Countries and the President of the United States have issued warnings of a possible oil crisis or recession if a mechanism to lower prices cannot be found. Such a scenario benefits neither the producing nor the consuming nations.

Oil prices are not the only cause of international anxiety. Japan, still Asia's largest economy, seems to be one of the few nations in that region unable to pull itself out of the economic slide that followed the 1997 currency crisis. In Europe, the low market valuation of the Euro, the area's common currency, has led to both political disputes and economic concerns. Possible actions to shore up the falling Euro could have future trade and investment ramifications on both sides of the Atlantic Ocean.

The Federal Reserve Board, meanwhile, seems content that its six interest rate increases over the past 15 months have helped slow the U.S. economy to a sustainable rate of growth accompanied by modest inflation. The Fed held interest rates steady for the second consecutive time in August,

and subsequent economic reports provide support for the decision. Construction spending has fallen for four consecutive months for the first time in more than nine years. The first decline in manufacturing sector activity in 19 months was reported in August. The Index of Leading Economic Indicators foretells a more moderate rate of growth in coming months. Second quarter worker productivity rose significantly, moving the labor cost per unit of production to its lowest level since 1983. The creation of new jobs seems to have slowed, but the economy is well into its tenth year of uninterrupted growth.

In Nevada, little has changed over the summer months. The rural counties have seen no imminent signs of a short-term economic turnaround. Job growth in southern Nevada continues, but at a calmer pace than a year ago. A recent increase in initial claims for unemployment insurance benefits may indicate further slowing in the months ahead. The reverse is true in the Reno area. Year-over-year job growth in the Reno MSA approached five percent again in August, and the unemployment rate remained low. In addition, the area's casinos reported their largest single-month win ever in July, despite the fact that American Airlines dropped 16 daily flights to the Reno-Tahoe International Airport over the Fourth of July weekend. Strong gaming results were reported in virtually every area of the state. The growth of Nevada's economy is expected to continue in coming months in the absence of a major shock to the U.S. or world economies stemming from high oil prices or other issues.



**...oil prices,
a growing
concern...**

NEVADA ECONOMIC DATA

INDUSTRIAL EMPLOYMENT DATA (NUMBER OF JOBS BY PLACE OF WORK)

NEVADA	AUG 00 ^P	AUG 99	JUL 00
TOTAL	1,037,000	993,100	1,027,900
MINING	11,200	11,900	11,200
CONSTRUCTION	94,900	92,000	93,900
MANUFACTURING	44,200	42,500	44,100
T.C.P.U. *	55,100	52,300	54,800
TRADE	215,700	204,700	213,400
wholesale	39,500	38,100	39,300
retail	176,200	166,600	174,100
F.I.R.E. **	44,900	44,500	44,700
SERVICES	455,800	435,200	450,100
hotels/gaming/rec.	254,000	244,800	250,900
GOVERNMENT	115,200	110,000	115,700

LAS VEGAS MSA

TOTAL	752,600	719,300	743,600
MINING	1,800	1,800	1,800
CONSTRUCTION	74,000	71,700	73,400
MANUFACTURING	24,400	23,500	24,200
T.C.P.U. *	40,900	38,400	40,500
TRADE	158,700	150,700	156,900
wholesale	24,000	23,000	23,900
retail	134,700	127,700	133,000
F.I.R.E. **	34,400	33,900	34,300
SERVICES	343,900	329,200	338,500
hotels/gaming/rec.	199,400	192,200	196,300
GOVERNMENT	74,500	70,100	74,000

RENO MSA

TOTAL	198,300	189,000	197,100
MINING	400	400	400
CONSTRUCTION	15,800	14,800	15,500
MANUFACTURING	14,000	13,300	14,000
T.C.P.U. *	12,900	12,300	13,000
TRADE	45,600	43,600	45,300
wholesale	12,400	12,000	12,400
retail	33,200	31,600	32,900
F.I.R.E. **	8,200	8,100	8,100
SERVICES	78,500	74,600	78,100
hotels/gaming/rec.	34,500	33,300	34,400
GOVERNMENT	22,900	21,900	22,700

* T.C.P.U. = Transportation, Communications & Public Utilities

** F.I.R.E. = Finance, Insurance & Real Estate

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LABOR FORCE DATA (BY PLACE OF RESIDENCE)

NEVADA	AUG 00 ^P	AUG 99	JUL 00
LABOR FORCE	999,400	953,700	999,900
EMPLOYMENT	960,200	907,700	961,000
UNEMPLOYMENT	39,200	46,000	38,900
UNEMP. RATE (see note)	3.7%	4.7%	3.5%

LAS VEGAS MSA

LABOR FORCE	775,100	739,800	772,000
EMPLOYMENT	742,600	702,700	740,000
UNEMPLOYMENT	32,500	37,100	32,000
UNEMP. RATE	4.2%	5.0%	4.1%

RENO MSA

LABOR FORCE	183,700	174,200	184,100
EMPLOYMENT	178,800	168,200	179,300
UNEMPLOYMENT	4,900	6,000	4,800
UNEMP. RATE	2.7%	3.4%	2.6%

UNITED STATES

UNEMP. RATE (see note)	4.1%	4.2%	4.0%
JOB GROWTH (see note)	1.9%	2.2%	2.1%

U.S. INFLATION DATA

CONSUMER PRICE INDEX (1982-84=100)	172.7	167.1	172.6
12-MONTH % CHANGE	3.4%	2.3%	3.5%

^P DATA FOR CURRENT MONTH IS PRELIMINARY

NOTE: NEVADA AND U.S. UNEMPLOYMENT RATES AND
U.S. JOB GROWTH RATE ARE SEASONALLY ADJUSTED.

*This data is prepared in conjunction with the Bureau
of Labor Statistics, U.S. Department of Labor.*

AVERAGE HOURS AND EARNINGS IN SELECTED NEVADA INDUSTRIES

	AVERAGE WEEKLY EARNINGS			AVERAGE WEEKLY HOURS			AVERAGE HOURLY EARNINGS		
	AUG ^P	AUG	JUL	AUG ^P	AUG	JUL	AUG ^P	AUG	JUL
	2000	1999	2000	2000	1999	2000	2000	1999	2000
MINING	\$1018.81	\$968.49	\$1014.14	46.1	45.9	45.6	\$22.10	\$21.10	\$22.24
CONSTRUCTION	882.73	814.18	882.92	41.0	38.9	41.2	21.53	20.93	21.43
MANUFACTURING	573.50	582.97	584.99	42.2	41.7	42.7	13.59	13.98	13.70
durable goods	579.92	590.02	577.70	43.9	43.9	43.6	13.21	13.44	13.25
nondurable goods	558.05	571.82	600.24	38.7	38.3	41.0	14.42	14.93	14.64
PUBLIC UTILITIES	860.18	935.28	871.95	41.0	43.2	41.8	20.98	21.65	20.86
TRADE	406.25	380.25	404.40	32.5	31.9	32.3	12.50	11.92	12.52
wholesale	661.60	642.61	666.97	38.6	39.4	38.2	17.14	16.31	17.46
retail	349.75	321.03	346.89	31.2	30.2	31.0	11.21	10.63	11.19

NEVADA ECONOMY IN BRIEF

JULY 2000

After watching Las Vegas become the economic success story of the past decade, Reno is finally getting some positive attention—despite the absence of any “big bang” projects. Employment reports show the Reno MSA creating jobs at a faster percentage rate than its southern counterpart, and recent tourism statistics are solid as well. Las Vegas, meanwhile, has witnessed its latest major resort opening, while the rural counties continue to suffer the effects of depressed gold prices.


One of the impressive features of Reno’s 5.2 percent year-over-year job growth—the strongest gain in four and one-half years—is its breadth. All but two major industrial sectors, mining and finance, reported gains of five percent or more, and no single sector dominated. In the fiscal year that ended June 30, Washoe County registered its largest percentage increase in gaming win since 1995-1996 and matched the biggest increase of the past decade. Visitor counts and hotel occupancy rates have exceeded 1999 levels through the first half of the year. The recent loss of air service and the threat of California gaming could make continuation of the current level of tourism growth difficult, and the employment gain may have approached its peak. It appears, however, that Reno has recovered from the tepid growth of the past few years.

The roster of Las Vegas resorts has undergone

more changes this summer. The new Aladdin and the adjacent Desert Passage shopping center opened the third week of August, and the Suncoast hotel-casino should open in early September. Between these events the 50-year-old Desert Inn closed. The net result of these events is the creation of about 5,000 jobs in the Las Vegas MSA.

In rural Nevada low gold prices continue to exact an economic toll. Gold has been trapped in the \$270 to \$300 per ounce range throughout most of 2000. Recently-released employment and payroll data for 1999 shows the effect of reduced mining activity. A cumulative look at five counties where mining is a significant driver of economic activity—Humboldt, Pershing, Lander, Eureka, and White Pine—illustrates the impact. In 1998 the mining industry directly employed more than 40 percent of all workers in these five counties. Mining employment fell by about 1,100 in these counties in 1999, and mining payroll fell by \$44,000,000. The real impact may actually be understated, since a 1999 mine closure that eliminated more than 400 jobs in White Pine County did not occur until late June.

Reports on the national economy remain mixed. The increase in Gross Domestic Product during the second quarter came in somewhat higher than expected, but other reports show benign inflation and slower growth in manufacturing, construction, and consumer spending. Evidence of an economic slowdown was sufficient to compel the Federal Reserve Board to leave interest rates unchanged at its August meeting, its second consecutive holding action.



...Reno is
finally getting
some positive
attention...

NEVADA ECONOMIC DATA

INDUSTRIAL EMPLOYMENT DATA (NUMBER OF JOBS BY PLACE OF WORK)

NEVADA	JUL 00 ^P	JUL 99	JUN 00
TOTAL	1,027,300	984,600	1,022,600
MINING	11,300	12,300	11,300
CONSTRUCTION	93,600	90,800	92,600
MANUFACTURING	44,000	42,300	43,700
T.C.P.U.	55,100	52,100	54,300
TRADE	212,800	203,300	211,400
wholesale	39,300	37,800	39,000
retail	173,500	165,500	172,400
F.I.R.E.	44,700	44,300	44,800
SERVICES	450,200	429,400	446,500
hotels/gaming/rec	250,900	240,600	248,500
GOVERNMENT	115,600	110,100	118,000

LAS VEGAS MSA

TOTAL	743,700	711,400	739,800
MINING	1,800	1,800	1,800
CONSTRUCTION	73,000	70,900	72,400
MANUFACTURING	24,200	23,400	23,900
T.C.P.U.	40,600	38,300	40,100
TRADE	156,400	149,500	155,600
wholesale	23,900	22,800	23,700
retail	132,500	126,700	131,900
F.I.R.E.	34,300	33,800	34,400
SERVICES	339,400	323,900	336,800
hotels/gaming/rec	196,200	188,100	194,800
GOVERNMENT	74,000	69,800	74,800

RENO MSA

TOTAL	197,300	187,500	196,800
MINING	400	500	400
CONSTRUCTION	15,500	14,600	15,300
MANUFACTURING	14,000	13,200	13,900
T.C.P.U.	13,100	12,200	12,900
TRADE	45,400	43,000	44,800
wholesale	12,400	11,800	12,300
retail	33,000	31,200	32,500
F.I.R.E.	8,100	8,100	8,100
SERVICES	78,100	74,400	77,400
hotels/gaming/rec	34,400	33,100	33,800
GOVERNMENT	22,700	21,500	24,000

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E-MAIL: lmi@govmail.state.nv.us

LABOR FORCE DATA (BY PLACE OF RESIDENCE)

NEVADA	JUL 00 ^P	JUL 99	JUN 00
LABOR FORCE	999,900	955,800	991,300
EMPLOYMENT	960,900	907,400	951,200
UNEMPLOYMENT	39,000	48,400	40,100
UNEMP. RATE (see note)	3.5%	4.7%	3.5%

LAS VEGAS MSA

LABOR FORCE	771,900	739,000	764,900
EMPLOYMENT	739,800	700,200	732,300
UNEMPLOYMENT	32,100	38,800	32,600
UNEMP. RATE	4.2%	5.2%	4.3%

RENO MSA

LABOR FORCE	184,200	174,600	183,200
EMPLOYMENT	179,400	168,200	178,100
UNEMPLOYMENT	4,800	6,400	5,100
UNEMP. RATE	2.6%	3.7%	2.8%

UNITED STATES

UNEMP. RATE (see note)	4.0%	4.3%	4.0%
JOB GROWTH (see note)	2.0%	2.4%	2.3%

U.S. INFLATION DATA

CONSUMER PRICE INDEX (1982-84=100)	172.6	166.7	172.3
12-MONTH % CHANGE	3.5%	2.1%	3.7%

^P DATA FOR CURRENT MONTH IS PRELIMINARY

NOTE: NEVADA AND U.S. UNEMPLOYMENT RATES AND
U.S. JOB GROWTH RATE ARE SEASONALLY ADJUSTED.

*This data is prepared in conjunction with the Bureau
of Labor Statistics, U.S. Department of Labor.*

AVERAGE HOURS AND EARNINGS IN SELECTED NEVADA INDUSTRIES

	AVERAGE WEEKLY EARNINGS			AVERAGE WEEKLY HOURS			AVERAGE HOURLY EARNINGS		
	JUL ^P	JUL	JUN	JUL ^P	JUL	JUN	JUL ^P	JUL	JUN
	2000	1999	2000	2000	1999	2000	2000	1999	2000
MINING	\$1026.91	\$915.64	\$1003.07	45.6	44.6	44.9	\$22.52	\$20.53	\$22.34
CONSTRUCTION	893.41	804.04	873.12	41.4	38.6	40.8	21.58	20.83	21.40
MANUFACTURING	573.91	576.51	586.39	41.8	40.4	42.4	13.73	14.27	13.83
durable goods	570.14	574.90	579.42	42.9	41.3	43.5	13.29	13.92	13.32
nondurable goods	583.07	578.76	599.54	39.8	39.0	40.4	14.65	14.84	14.84
PUBLIC UTILITIES	863.62	933.48	874.45	41.6	43.6	41.9	20.76	21.41	20.87
TRADE	406.13	375.91	400.35	32.7	31.3	31.9	12.42	12.01	12.55
wholesale	680.34	651.57	675.11	39.1	38.6	38.6	17.40	16.88	17.49
retail	345.55	313.17	340.38	31.3	29.6	30.5	11.04	10.58	11.16

NEVADA ECONOMY IN BRIEF

JUNE / SECOND QUARTER 2000

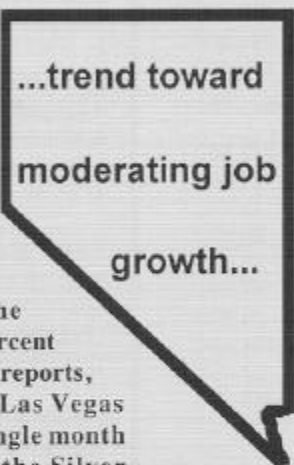
Nevada's economic outlook remained relatively unchanged as the second quarter came to an end. The seasonally-adjusted statewide unemployment rate rose a statistically insignificant 0.1 percent in June, and the trend toward moderating job growth continued. June increases in the unemployment rate in the Reno and Las Vegas MSA's were largely attributable to a reduction in the number of temporary census workers and normal seasonal factors associated with the end of the school year and the start of the summer hiring season.

One mild surprise did appear in the statistics. Preliminary estimates indicate that the percentage increase in the Reno MSA's job growth slightly surpassed the Las Vegas MSA in the second quarter (4.4 percent vs. 4.2 percent). Prior to the April and June reports, the last time the Reno MSA exceeded the Las Vegas MSA in the rate of job growth was for a single month (August 1995) following the opening of the Silver Legacy hotel-casino. That is the only other month in this decade for which comparable data is available that Reno ranked ahead of its southern counterpart.

Southern Nevada nevertheless holds the key to Nevada's overall economic health. The actual increase in year-over-year job growth was 28,700 in the Las Vegas MSA and 8,500 in the Reno MSA. Clark County provides about 70 percent of the state's taxable retail sales and 80 percent of the taxable gaming revenues. The opening of five large hotel-casinos from the fourth quarter of 1998 to the third quarter of 1999

accelerated the Las Vegas growth rate in 1999. Similar results are not expected in the near future. The new Aladdin resort is scheduled to open in August, and the Suncoast may open before the third quarter ends. Unfortunately, many of the job gains from these properties will be offset by the closure of the Desert Inn in August and the planned demolition of the New Frontier next year.

National and international economic developments still provide cause for concern. The outlook for gold prices remains pessimistic in the short run, and the market reacts negatively every time a European nation auctions off a portion of its gold reserve, even though the sales are often announced well in advance. Petroleum prices remain high despite recently-announced production increases by OPEC nations. The June Producer Price Index and Consumer Price Index reports both showed significant inflationary pressures stemming from energy costs, and the threat persists that high energy prices will drive up prices in other sectors of the economy. The Federal Reserve Board held interest rates steady at its June meeting, but another rate increase is possible in August. The next round of economic reports, which includes the second quarter Employment Cost Index and the preliminary estimate of second quarter Gross Domestic Product, may well tip the balance between another rate boost and another holding action.



...trend toward
moderating job
growth...

HIGHLIGHTS

■ Steve Wynn, formerly CEO of Mirage Resorts, purchased the Desert Inn on the Las Vegas Strip and announced that it will close in August to make way for one or more large new hotels.

■ Ground was broken for the new \$30 million Northeastern Nevada Regional Hospital in Elko.

■ Nordstrom announced it will build its first Nevada store in the Fashion Show Mall in Las Vegas.

■ Reno's International Game Technology, Nevada's largest manufacturing firm, held a job fair to hire 200 additional employees.

■ Work has begun on a 1.3 million square-foot expansion of the Las Vegas Convention Center that will make it the world's largest when it is completed in late 2001.

■ The 300-room Arizona Charlie's East hotel-casino opened on the Boulder Strip.

■ Nevada's population unofficially passed two million during the past 12 months.

NEVADA ECONOMIC DATA

INDUSTRIAL EMPLOYMENT DATA

(NUMBER OF JOBS BY PLACE OF WORK)

NEVADA	JUN 00 ^P	JUN 99	MAY 00
TOTAL	1,022,100	984,700	1,022,700
MINING	11,200	12,300	11,200
CONSTRUCTION	92,500	89,900	91,300
MANUFACTURING	43,500	42,500	43,300
T.C.P.U.	54,200	51,700	53,700
TRADE	211,400	201,800	209,300
wholesale	39,000	37,400	38,600
retail	172,400	164,400	170,700
F.I.R.E.	44,700	44,300	44,700
SERVICES	446,500	427,400	442,400
hotels/gaming/rec	248,500	239,000	246,000
GOVERNMENT	118,100	114,800	126,800

LAS VEGAS MSA

TOTAL	739,500	710,800	743,900
MINING	1,800	1,800	1,800
CONSTRUCTION	72,300	70,000	71,700
MANUFACTURING	24,000	23,600	23,900
T.C.P.U.	40,000	38,100	39,600
TRADE	155,500	149,100	154,600
wholesale	23,600	22,600	23,500
retail	131,900	126,500	131,100
F.I.R.E.	34,400	33,800	34,400
SERVICES	336,800	322,900	335,000
hotels/gaming/rec	194,800	187,200	193,600
GOVERNMENT	74,700	71,500	82,900

RENO MSA

TOTAL	196,700	188,200	195,400
MINING	400	500	400
CONSTRUCTION	15,300	14,600	14,800
MANUFACTURING	13,800	13,200	13,700
T.C.P.U.	12,900	12,000	12,800
TRADE	44,800	42,600	44,300
wholesale	12,300	11,800	12,100
retail	32,500	30,800	32,200
F.I.R.E.	8,100	8,100	8,100
SERVICES	77,400	73,700	76,000
hotels/gaming/rec	33,800	32,800	33,100
GOVERNMENT	24,000	23,500	25,300

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LABOR FORCE DATA

(BY PLACE OF RESIDENCE)

NEVADA	JUN 00 ^P	JUN 99	MAY 00
LABOR FORCE	991,200	947,300	972,800
EMPLOYMENT	951,100	897,300	940,900
UNEMPLOYMENT	40,100	50,000	31,900
UNEMP. RATE (see note)	3.5%	4.7%	3.4%

LAS VEGAS MSA

LABOR FORCE	764,700	731,100	752,900
EMPLOYMENT	732,200	692,000	727,100
UNEMPLOYMENT	32,500	39,100	25,800
UNEMP. RATE	4.3%	5.3%	3.4%

RENO MSA

LABOR FORCE	183,100	174,300	179,000
EMPLOYMENT	178,000	167,100	174,700
UNEMPLOYMENT	5,100	7,200	4,300
UNEMP. RATE	2.8%	4.1%	2.4%

UNITED STATES

UNEMP. RATE (see note)	4.0%	4.3%	4.1%
JOB GROWTH (see note)	2.3%	2.3%	2.5%

U.S. INFLATION DATA

CONSUMER PRICE INDEX (1982-84=100)	172.3	166.2	171.3
12-MONTH % CHANGE	3.7%	2.0%	3.1%

^P DATA FOR CURRENT MONTH IS PRELIMINARY

NOTE: NEVADA AND U.S. UNEMPLOYMENT RATES AND
U.S. JOB GROWTH RATE ARE SEASONALLY ADJUSTED.

*This data is prepared in conjunction with the Bureau
of Labor Statistics, U.S. Department of Labor.*

AVERAGE HOURS AND EARNINGS IN SELECTED NEVADA INDUSTRIES

	AVERAGE WEEKLY EARNINGS			AVERAGE WEEKLY HOURS			AVERAGE HOURLY EARNINGS		
	JUN ^P	JUN	MAY	JUN ^P	JUN	MAY	JUN ^P	JUN	MAY
	2000	1999	2000	2000	1999	2000	2000	1999	2000
MINING	\$1008.41	\$898.65	\$992.29	45.2	45.0	44.2	\$22.31	\$19.97	\$22.45
CONSTRUCTION	865.37	849.13	824.25	40.8	41.2	39.4	21.21	20.61	20.92
MANUFACTURING	579.41	574.07	578.03	42.2	41.3	42.1	13.73	13.90	13.73
durable goods	570.24	566.67	561.04	43.2	42.8	42.6	13.20	13.24	13.17
nondurable goods	597.78	586.50	606.39	40.5	39.1	41.0	14.76	15.00	14.79
PUBLIC UTILITIES	898.44	909.73	894.64	42.2	43.8	42.2	21.29	20.77	21.20
TRADE	405.12	389.44	404.46	32.0	32.0	32.1	12.66	12.17	12.60
wholesale	674.99	696.37	663.55	38.2	39.1	38.4	17.67	17.81	17.28
retail	344.56	320.42	346.60	30.6	30.4	30.7	11.26	10.54	11.29

ECONOMIC DIVERSIFICATION?

by Jim Shabi, Economist

Since the recession of the early 1980's, a considerable amount of attention has been directed to reducing Nevada's financial dependence on the gaming industry. The value of economic diversification has been trumpeted far and wide by politicians, economists, and development experts. Tools used to accomplish that diversification have ranged from direct recruiting to tax incentives.

The result? The graphs below show the composition of Nevada's industrial employment in June 1982 and June 2000—and the two graphs are eerily similar. Gaming's share of employment has declined by more than 4 percentage points (due in part to outsourcing), but only three other industries saw a change of as much as 2.5 percentage points. During those 18 years non-gaming services made up for gaming's loss, the construction industry's share of statewide jobs grew from 5.3 percent to 9.0 percent, and government's share of employment fell from 14.3 percent to 11.6 percent. The service sector, including gaming, remained above 43 percent of the total.

How does this compare to the nation as a whole? When viewing national employment over

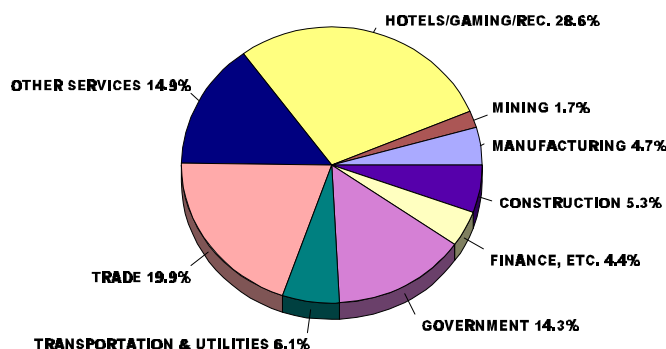
the same 18-year period, one clear pattern emerges. The United States has truly developed into a service-dominated economy. Service industry employment grew from 21 percent to 31 percent of all jobs during the period, while manufacturing fell from a 21 percent share to 14 percent. The nation lost more than 300,000 manufacturing jobs, while overall employment grew by more than 40 million. Most other industries showed little percentage change.

Has Nevada's diversification failed? Not really. Gaming clearly remains the state's dominant industry, directly providing about one-fourth of its jobs and about 35 percent of the state's general fund tax revenues. But while the rest of the nation was losing manufacturing jobs, Nevada held relatively steady on a percentage basis, and employment in the manufacturing sector increased by more than 24,000. If nothing else the diversification efforts have kept Nevada from slipping even further into total service industry domination.

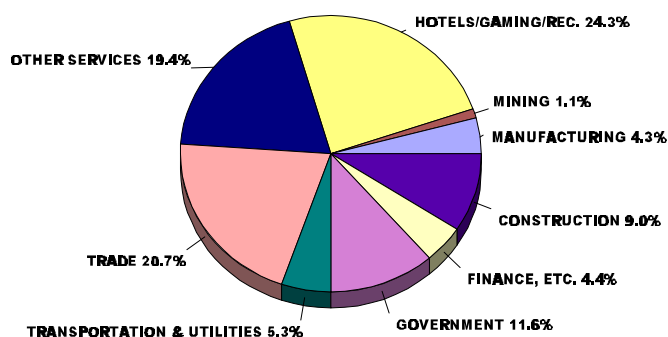
(Employment data provided in conjunction with the Bureau of Labor Statistics, U.S. Department of Labor)

NEVADA EMPLOYMENT BY INDUSTRY

JUNE 1982



JUNE 2000



INDUSTRIAL EMPLOYMENT - SEASONALLY ADJUSTED¹

(in thousands)

	Jan. '00	Feb. '00	Mar. '00	Apr. '00	May '00	Jun. '00
NEVADA						
TOTAL	1008.0	1008.4	1012.0	1015.3	1022.1	1023.0
Mining	11.4	11.5	11.4	11.3	11.2	10.9
Construction	91.6	91.6	92.0	91.9	91.7	91.6
Manufacturing	43.0	42.9	42.9	43.1	43.3	43.3
<i>Durable Goods</i>	26.7	26.8	26.8	26.9	26.8	26.7
<i>Non-durable Goods</i>	16.3	16.1	16.1	16.2	16.5	16.6
TCPU	53.3	53.5	53.8	54.2	53.9	53.9
Trade	207.1	207.1	208.0	208.9	210.0	211.2
<i>Wholesale</i>	38.2	38.3	38.4	38.5	38.6	38.8
<i>Retail</i>	168.9	168.8	169.6	170.4	171.4	172.4
FIRE	44.6	44.6	44.6	44.4	44.7	44.5
Services	438.5	438.2	439.9	441.3	443.0	446.5
<i>HGR</i>	246.5	244.9	243.9	243.7	244.7	246.2
Government	118.5	119.0	119.4	120.2	124.3	121.1

¹ Seasonally adjusted data are adjusted for regularly occurring seasonal events that alter the economic status quo, e.g. Christmas. It will not be the same as unadjusted data.

Seasonally adjusted employment data is provided on a monthly basis on our Web site. Monthly data is provided for a number of sub-sectors, such as federal, state, and local government.

NOTE: Seasonal adjustment factors have not yet been established for the Las Vegas MSA and the Reno MSA for the current year. Seasonally adjusted data for these areas will be published when it becomes available.

State of Nevada
 Department of Employment, Training & Rehabilitation
 Research & Analysis Bureau
 500 E. Third Street
 Carson City, Nevada 89713-0001

NEVADA ECONOMY IN BRIEF

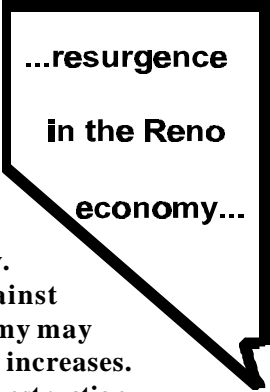
MAY 2000

The ongoing strength of the labor market—good for workers, but challenging for employers—was clearly demonstrated in May, as both Nevada and the Reno MSA recorded their lowest unemployment rates in decades (methodology changes over the years prevent a precise comparison). Further evidence of a resurgence in the Reno economy can be found in a job growth rate through the first five months of the year that is the best since 1996. Las Vegas appears to be in a relative lull—if 5.3 percent year-to-date job growth can be considered a lull—following the recent burst of resort construction. The rural counties, meanwhile, continue to await positive news from the mining industry.

Nevada's economic news appears against a backdrop showing that the U.S. economy may at last be slowing following six interest rate increases. Several national reports indicate reduced construction spending, fewer new home sales, and declining manufacturing growth. Retail sales have fallen for two consecutive months, the first time that has occurred since the summer of 1998. Analysts are divided on whether the Federal Reserve Board will raise rates again at its next meeting, but only a few weeks ago another increase seemed assured.

The most notable element of Reno's recent

employment growth is that new jobs have been generated by several industries. The growth pattern belies the traditional picture of Nevada's gaming-dominated economy. Employment in the gaming sector is increasing at only half the rate of the Reno market as a whole. The region has seen numerous jobs created in construction, non-durable goods manufacturing, business services, transportation and public utilities, and wholesale and retail trade over the past twelve months. Two local firms, one in manufacturing and one in computer services, have recently embarked on hiring sprees that will create between 250 and 500 more jobs this year.



...resurgence
in the Reno
economy...

Although job growth in the Reno MSA has been dominated by the non-gaming sectors, Washoe County's casinos have been bestowed with good news as well. The county has reported over-the-year increases in gaming win in excess of six percent for three consecutive quarters, coming after three years of slow returns. April's year-over-year revenues increased by 18.5 percent, fueled by good spring weather and the first full month of the 70,000-participant Women's International Bowling Congress tournament.

Washoe County also reported strong taxable retail sales increases in the first quarter.

Rural Nevada is facing another mine closure this summer. The productive life of the Rosebud Mine between Lovelock and Winnemucca has ended, and 75 workers will lose their jobs by August. Gold prices remain depressed, and no immediate relief is in sight.

NEVADA ECONOMIC DATA

INDUSTRIAL EMPLOYMENT DATA (NUMBER OF JOBS BY PLACE OF WORK)

NEVADA	MAY 00 ^P	MAY 99	APR 00
TOTAL	1,023,400	981,900	1,011,700
MINING	11,200	12,300	11,200
CONSTRUCTION	91,600	88,600	90,200
MANUFACTURING	43,100	42,200	43,000
T.C.P.U.	53,700	51,200	53,900
TRADE	209,500	200,000	207,200
<i>wholesale</i>	38,600	37,100	38,300
<i>retail</i>	170,900	162,900	168,900
F.I.R.E.	44,700	44,000	44,300
SERVICES	442,800	423,800	438,900
<i>hotels/gaming/rec</i>	245,700	237,100	244,100
GOVERNMENT	126,800	119,800	123,000

LAS VEGAS MSA

TOTAL	744,400	712,200	736,700
MINING	1,800	1,900	1,800
CONSTRUCTION	71,800	69,800	71,300
MANUFACTURING	23,900	23,300	23,800
T.C.P.U.	39,600	37,600	39,900
TRADE	154,900	148,000	153,400
<i>wholesale</i>	23,500	22,500	23,400
<i>retail</i>	131,400	125,500	130,000
F.I.R.E.	34,200	33,700	34,000
SERVICES	335,200	321,700	332,800
<i>hotels/gaming/rec</i>	193,400	186,300	192,400
GOVERNMENT	83,000	76,200	79,700

RENO MSA

TOTAL	195,500	187,000	193,300
MINING	400	500	400
CONSTRUCTION	14,900	14,000	14,300
MANUFACTURING	13,700	13,200	13,600
T.C.P.U.	12,900	11,900	12,800
TRADE	44,200	42,100	43,600
<i>wholesale</i>	12,100	11,600	12,000
<i>retail</i>	32,100	30,500	31,600
F.I.R.E.	8,100	8,100	8,100
SERVICES	76,000	72,700	75,400
<i>hotels/gaming/rec</i>	33,100	32,400	32,700
GOVERNMENT	25,300	24,500	25,100

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E-MAIL: lmi@govmail.state.nv.us

LABOR FORCE DATA (BY PLACE OF RESIDENCE)

NEVADA	MAY 00 ^P	MAY 99	APR 00
LABOR FORCE	973,100	929,600	966,700
EMPLOYMENT	941,100	888,200	930,200
UNEMPLOYMENT	32,000	41,400	36,500
UNEMP. RATE (see note)	3.4%	4.6%	3.8%

LAS VEGAS MSA

LABOR FORCE	753,300	718,900	747,500
EMPLOYMENT	727,500	687,100	718,900
UNEMPLOYMENT	25,800	31,800	28,600
UNEMP. RATE	3.4%	4.4%	3.8%

RENO MSA

LABOR FORCE	179,100	171,100	177,500
EMPLOYMENT	174,800	164,600	172,500
UNEMPLOYMENT	4,300	6,500	5,000
UNEMP. RATE	2.4%	3.8%	2.8%

UNITED STATES

UNEMP. RATE (see note)	4.1%	4.2%	3.9%
JOB GROWTH (see note)	2.6%	2.3%	2.4%

U.S. INFLATION DATA

CONSUMER PRICE INDEX (1982-84=100)	171.3	166.2	171.2
12-MONTH % CHANGE	3.1%	2.1%	3.0%

^P DATA FOR CURRENT MONTH IS PRELIMINARY

NOTE: NEVADA AND U.S. UNEMPLOYMENT RATES AND
U.S. JOB GROWTH RATE ARE SEASONALLY ADJUSTED.

*This data is prepared in conjunction with the Bureau
of Labor Statistics, U.S. Department of Labor.*

AVERAGE HOURS AND EARNINGS IN SELECTED NEVADA INDUSTRIES

	AVERAGE WEEKLY EARNINGS			AVERAGE WEEKLY HOURS			AVERAGE HOURLY EARNINGS		
	MAY ^P	MAY	APR	MAY ^P	MAY	APR	MAY ^P	MAY	APR
	2000	1999	2000	2000	1999	2000	2000	1999	2000
MINING	\$983.90	\$939.88	\$985.60	44.3	46.9	44.8	\$22.21	\$20.04	\$22.00
CONSTRUCTION	814.89	836.49	795.03	39.5	40.1	38.5	20.63	20.86	20.65
MANUFACTURING	578.76	592.35	578.43	42.0	42.1	42.5	13.78	14.07	13.61
<i>durable goods</i>	564.92	590.42	561.60	42.7	43.8	43.3	13.23	13.48	12.97
<i>nondurable goods</i>	603.02	594.00	607.21	40.8	39.6	41.0	14.78	15.00	14.81
PUBLIC UTILITIES	898.84	909.50	901.63	42.1	43.6	41.8	21.35	20.86	21.57
TRADE	401.32	393.55	400.69	31.8	32.1	31.7	12.62	12.26	12.64
<i>wholesale</i>	656.66	709.60	666.80	38.2	40.0	38.3	17.19	17.74	17.41
<i>retail</i>	343.60	323.15	342.39	30.3	30.4	30.3	11.34	10.63	11.30

NEVADA ECONOMY IN BRIEF

APRIL 2000

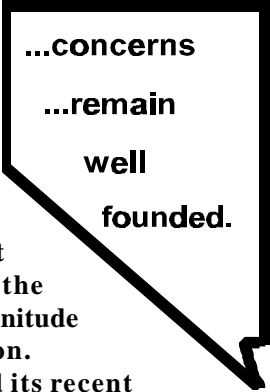
Although the longest economic expansion in U.S. history continued in April, concerns over higher prices, rising interest rates, and a slowing economy remain well founded. Despite a decline in the Producer Price Index and a leveling off of the Consumer Price Index in April, the Federal Reserve Board reacted vigorously to numerous reports of an economy that is still vibrant after more than nine consecutive years of expansion. The Fed continued its attack on potential inflation and runaway growth, raising interest rates by one-half percentage point in mid-May. The increase was the sixth, and most aggressive, in the past 11 months. Because there is always a considerable delay between a rise in interest rates and any demonstrable effect on the economy, uncertainty remains over the magnitude and timing of the inevitable deceleration.

Nevada's economy generally extended its recent trends, although the rate of employment growth in the Las Vegas MSA may be declining a bit more rapidly than anticipated. The 4.1 percent year-over-year job growth reported in April for the Las Vegas area was still well above the national average, but it paled in comparison with the growth of seven percent or more reported throughout 1999. Nevertheless, home construction remains strong, retail centers are under construction all over the Las Vegas Valley, and numerous hotel-casino

projects, both large and small, are in the works. The anticipated departure of Steve Wynn from the Las Vegas gaming scene lasted only a few weeks. Wynn's purchase of the Desert Inn should give a boost to the north end of the Las Vegas Strip, which languished in recent years as new megaresorts were built to the south.

Little has changed in the state's rural counties. Earlier optimism regarding a sustained increase in the price of gold has waned. The price has stalled below \$280 per ounce in recent weeks, and most analysts expect it to remain below \$300 this year. Many rural communities expect more families to leave at the end of the current school year. The best mining news came from Barrick Gold, which placed its \$330 million roaster in operation on the Carlin Trend. The roaster provides jobs for about 150 workers.

The Reno MSA and the Carson City Labor Market Area have seen mostly positive economic activity in recent months. Washoe County continues to report strong gaming returns and taxable sales receipts, as well as solid job growth. Two motels in downtown Reno were sold to new investors, and the Reno City Council is reviewing proposals to develop the site of the imploded Mapes Hotel and a plan to renovate 35 blocks of the downtown area. A Costco warehouse store planned for Carson City appears to be on target for a fall opening. Retail sales in Douglas County have remained strong following the opening of two major retailers in the past few months, and industrial parks in Storey County and Lyon County have been successful in attracting new and expanding businesses.



...concerns
...remain
well
founded.

NEVADA ECONOMIC DATA

INDUSTRIAL EMPLOYMENT DATA (NUMBER OF JOBS BY PLACE OF WORK)

NEVADA	APR 00 ^P	APR 99	MAR 00
TOTAL	1,010,000	974,800	1,006,200
MINING	11,300	12,300	11,300
CONSTRUCTION	89,800	88,500	89,300
MANUFACTURING	43,000	41,900	42,800
T.C.P.U.	53,800	50,800	53,300
TRADE	206,300	197,100	205,800
wholesale	38,100	36,800	38,200
retail	168,200	160,300	167,600
F.I.R.E.	44,400	43,800	44,500
SERVICES	438,400	420,600	436,700
hotels/gaming/rec	243,700	234,200	242,600
GOVERNMENT	123,000	119,800	122,500

LAS VEGAS MSA

TOTAL	736,100	707,400	734,000
MINING	1,800	1,900	1,800
CONSTRUCTION	71,000	70,500	71,200
MANUFACTURING	23,900	23,300	23,800
T.C.P.U.	39,800	37,400	39,400
TRADE	153,000	146,000	152,700
wholesale	23,300	22,400	23,400
retail	129,700	123,600	129,300
F.I.R.E.	34,100	33,500	34,100
SERVICES	332,900	318,600	331,700
hotels/gaming/rec	192,400	183,800	191,700
GOVERNMENT	79,600	76,200	79,300

RENO MSA

TOTAL	192,400	185,400	191,200
MINING	400	500	400
CONSTRUCTION	14,100	13,300	13,700
MANUFACTURING	13,500	13,100	13,600
T.C.P.U.	12,800	11,900	12,700
TRADE	43,400	41,400	43,200
wholesale	11,900	11,400	11,900
retail	31,500	30,000	31,300
F.I.R.E.	8,100	8,000	8,200
SERVICES	75,000	72,700	74,500
hotels/gaming/rec	32,600	32,200	32,100
GOVERNMENT	25,100	24,500	24,900

FOR ADDITIONAL LABOR MARKET DATA CONTACT THE RESEARCH & ANALYSIS BUREAU

TELEPHONE: 775-684-0450

FAX: 775-684-0342

INTERNET: www.DETRjoblink.org

E-MAIL: lmi@govmail.state.nv.us

LABOR FORCE DATA (BY PLACE OF RESIDENCE)

NEVADA	APR 00 ^P	APR 99	MAR 00
LABOR FORCE	966,400	924,800	956,100
EMPLOYMENT	929,800	883,400	921,900
UNEMPLOYMENT	36,600	41,400	34,200
UNEMP. RATE (see note)	3.8%	4.5%	3.8%

LAS VEGAS MSA

LABOR FORCE	747,600	713,000	741,700
EMPLOYMENT	718,900	682,500	715,000
UNEMPLOYMENT	28,700	30,500	26,700
UNEMP. RATE	3.8%	4.3%	3.6%

RENO MSA

LABOR FORCE	177,000	170,500	175,100
EMPLOYMENT	171,900	163,300	170,100
UNEMPLOYMENT	5,100	7,200	5,000
UNEMP. RATE	2.9%	4.2%	2.9%

UNITED STATES

UNEMP. RATE (see note)	3.9%	4.3%	4.1%
JOB GROWTH (see note)	2.3%	2.3%	2.3%

U.S. INFLATION DATA

CONSUMER PRICE INDEX (1982-84=100)	171.2	166.2	171.1
12-MONTH % CHANGE	3.0%	2.3%	3.7%

^P DATA FOR CURRENT MONTH IS PRELIMINARY

NOTE: NEVADA AND U.S. UNEMPLOYMENT RATES AND
U.S. JOB GROWTH RATE ARE SEASONALLY ADJUSTED.

*This data is prepared in conjunction with the Bureau
of Labor Statistics, U.S. Department of Labor.*

AVERAGE HOURS AND EARNINGS IN SELECTED NEVADA INDUSTRIES

	AVERAGE WEEKLY EARNINGS			AVERAGE WEEKLY HOURS			AVERAGE HOURLY EARNINGS		
	APR ^P	APR	MAR	APR ^P	APR	MAR	APR ^P	APR	MAR
	2000	1999	2000	2000	1999	2000	2000	1999	2000
MINING	\$977.22	\$890.01	\$969.25	44.5	46.5	44.4	\$21.96	\$19.14	\$21.83
CONSTRUCTION	796.42	822.96	802.77	38.4	40.5	38.8	20.74	20.32	20.69
MANUFACTURING	576.73	595.40	561.46	42.5	41.9	41.9	13.57	14.21	13.40
durable goods	563.77	602.31	558.58	43.3	43.9	43.2	13.02	13.72	12.93
nondurable goods	599.65	587.67	569.14	41.1	39.1	39.8	14.59	15.03	14.30
PUBLIC UTILITIES	886.58	892.19	896.76	42.4	43.5	42.3	20.91	20.51	21.20
TRADE	404.49	394.88	391.55	31.9	32.0	31.1	12.68	12.34	12.59
wholesale	672.70	720.38	642.82	38.2	40.2	37.2	17.61	17.92	17.28
retail	344.96	320.26	335.02	30.5	30.1	29.7	11.31	10.64	11.28

NEVADA ECONOMY IN BRIEF

MARCH / FIRST QUARTER 2000

A number of caution signs have emerged in recent weeks that could impact Nevada's growth. These warnings come from NASDAQ, OPEC, FRB, AA, and HGR—making it appear that we could experience Nevada's first economic challenge caused by the alphabet.

NASDAQ (Stock Market) -- The NASDAQ market recently suffered a series of major declines, testing the optimism of investors. Although many analysts viewed the market correction as desirable, the severity of the drop creates the potential that consumer confidence—and considerable paper wealth—will erode. A decline in consumer confidence and the loss of income could reduce leisure travel to Nevada and restrict the state's dominant industry.

OPEC (Organization of Petroleum Exporting Countries) -- Rising oil prices increase business costs and the cost of travel—and have now begun to impact the broader measure of inflation. High energy prices hampered Nevada tourism in the 1970's and could do so again. The 3.7 percent year-over-year increase in the Consumer Price Index in March was the largest since 1991.

FRB (Federal Reserve Board) -- In response to rising prices, the Federal Reserve Board is almost certain to increase interest rates again. Five rate increases in the past year seem not to have slowed the economy—although signs of weakening, such as a decline in housing starts, appear occasionally. The concern is that a breaking point may be reached, causing a crash instead of the desired soft landing, with the resultant loss of jobs in Nevada and elsewhere.

AA (American Airlines) -- American Airlines justified the fears of local officials when it announced a 60 percent reduction in its flights to Reno effective July 2. The cuts represent about one-sixth of all commercial flights into Reno. While it is hoped that some of the slack will be taken up by other airlines and by filling previously empty seats, the cuts will probably hurt Reno's tourism industry in the short run. Unfortunately, the action comes at a time when Reno tourism was showing signs of a resurgence after several years with unimpressive results.

HGR (Hotels, Gaming and Recreation) Rapid growth in Nevada has been enhanced by intensive construction work and thousands of permanent jobs at new resorts in Las Vegas. With the current wave of casino construction winding down, a decline in the rate of job growth can be expected in coming months. The March employment growth figures appear to signal the beginning of this slowing trend, and many construction workers will be idled until a new wave comes in.

Despite all that, Nevada's economy should continue to prosper in 2000. The U.S. economy remains strong, and Nevada's population is still growing at a rapid pace. One large casino (Aladdin), one major shopping mall (Desert Passage) and numerous local shopping centers will provide many of the new jobs, as will new call centers and credit card processing operations such as those being opened by Ford Credit and Provident Financial.

...caution
signs have
emerged...

HIGHLIGHTS

#The U.S. economy has achieved its longest economic expansion in history (nine years and counting).

#Reno's historic Mapes hotel-casino, the state's first designed specifically to include gaming, restaurants, and entertainment under one roof, was imploded in January.

#California voters passed a ballot initiative in March that could significantly expand gaming on the state's Indian reservations.

#The Women's International Bowling Congress tournament has begun in Reno. It will bring more than 70,000 bowlers to the city over four months.

#The Mesquite Star hotel-casino was closed by a bankruptcy receiver, idling 270 workers.

#Nevada's casinos are off to a good start in 2000, enjoying record gaming win in January and a 14 percent year-over-year increase in February.

#Gold prices moved above \$300 per ounce for about 2-1/2 weeks in February, but ended the first quarter at about \$275 per ounce.

NEVADA ECONOMIC DATA

INDUSTRIAL EMPLOYMENT DATA (NUMBER OF JOBS BY PLACE OF WORK)

NEVADA	MAR 00 ^P	MAR 99	FEB 00
TOTAL	1,006,100	965,800	999,500
MINING	11,200	12,500	11,300
CONSTRUCTION	89,100	90,000	88,200
MANUFACTURING	42,900	42,100	42,700
T.C.P.U.	53,200	50,000	52,900
TRADE	205,900	193,300	204,400
wholesale	38,100	36,500	38,000
retail	167,800	156,800	166,400
F.I.R.E.	44,600	43,700	44,500
SERVICES	436,700	414,400	434,800
hotels/gaming/rec	242,900	229,500	241,600
GOVERNMENT	122,500	119,800	120,700

LAS VEGAS MSA

TOTAL	734,200	699,200	730,000
MINING	1,800	1,900	1,800
CONSTRUCTION	71,000	72,400	70,900
MANUFACTURING	23,800	23,000	23,600
T.C.P.U.	39,300	36,500	39,300
TRADE	153,000	142,700	151,700
wholesale	23,300	22,200	23,200
retail	129,700	120,500	128,500
F.I.R.E.	34,100	33,300	34,000
SERVICES	331,800	313,300	330,400
hotels/gaming/rec	192,000	179,900	191,000
GOVERNMENT	79,400	76,100	78,300

RENO MSA

TOTAL	191,200	184,500	189,900
MINING	400	500	400
CONSTRUCTION	13,500	12,900	13,300
MANUFACTURING	13,700	13,700	13,600
T.C.P.U.	12,700	11,900	12,600
TRADE	43,300	41,100	43,100
wholesale	11,900	11,400	11,900
retail	31,400	29,700	31,200
F.I.R.E.	8,200	8,100	8,100
SERVICES	74,500	71,800	74,200
hotels/gaming/rec	32,100	31,800	31,700
GOVERNMENT	24,900	24,500	24,600

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LABOR FORCE DATA (BY PLACE OF RESIDENCE)

NEVADA	MAR 00 ^P	MAR 99	FEB 00
LABOR FORCE	956,100	918,500	960,600
EMPLOYMENT	921,900	880,900	924,500
UNEMPLOYMENT	34,200	37,600	36,100
UNEMP. RATE (see note)	3.8%	4.3%	3.7%

LAS VEGAS MSA

LABOR FORCE	741,900	707,600	746,000
EMPLOYMENT	715,000	680,400	718,400
UNEMPLOYMENT	26,900	27,200	27,600
UNEMP. RATE	3.6%	3.8%	3.7%

RENO MSA

LABOR FORCE	175,100	171,000	176,600
EMPLOYMENT	170,100	163,900	170,900
UNEMPLOYMENT	5,000	7,100	5,700
UNEMP. RATE	2.9%	4.2%	3.2%

UNITED STATES

UNEMP. RATE (see note)	4.1%	4.2%	4.1%
JOB GROWTH (see note)	2.3%	2.3%	2.0%

U.S. INFLATION DATA

CONSUMER PRICE INDEX (1982-84=100)	171.1	165.0	169.7
12-MONTH % CHANGE	3.7%	1.7%	3.2%

^P DATA FOR CURRENT MONTH IS PRELIMINARY

NOTE: NEVADA AND U.S. UNEMPLOYMENT RATES AND
U.S. JOB GROWTH RATE ARE SEASONALLY ADJUSTED.

*This data is prepared in conjunction with the Bureau
of Labor Statistics, U.S. Department of Labor.*

AVERAGE HOURS AND EARNINGS IN SELECTED NEVADA INDUSTRIES

	AVERAGE WEEKLY EARNINGS			AVERAGE WEEKLY HOURS			AVERAGE HOURLY EARNINGS		
	MAR ^P	MAR	FEB	MAR ^P	MAR	FEB	MAR ^P	MAR	FEB
	2000	1999	2000	2000	1999	2000	2000	1999	2000
MINING	\$963.98	\$941.62	\$933.73	45.3	46.8	44.4	\$21.28	\$20.12	\$21.03
CONSTRUCTION	802.77	843.78	781.88	38.8	41.0	37.9	20.69	20.58	20.63
MANUFACTURING	551.95	573.01	560.87	41.5	40.9	41.7	13.30	14.01	13.45
durable goods	551.67	568.43	560.70	42.6	42.2	42.9	12.95	13.47	13.07
nondurable goods	553.02	580.71	562.95	39.7	39.0	39.7	13.93	14.89	14.18
PUBLIC UTILITIES	894.09	911.88	902.68	42.8	44.7	42.3	20.89	20.40	21.34
TRADE	390.31	397.87	387.50	31.2	32.4	31.0	12.51	12.28	12.50
wholesale	657.72	706.23	650.33	37.8	39.9	37.7	17.40	17.70	17.25
retail	330.86	325.58	329.22	29.7	30.6	29.5	11.14	10.64	11.16

GEOGRAPHIC INFORMATION SYSTEMS (GIS) THE NEXT TREND IN LABOR MARKET INFORMATION

by Peter Janson

Nevada has several distinct labor market information areas. The data pages in this publication show tables for three specific areas: Nevada, the Las Vegas MSA (Metropolitan Statistical Area), and the Reno MSA. In addition to those three areas, data is available for the Elko and Carson LMAs (Labor Market Areas) as well as each of the 17 individual Nevada counties. Connecting labor market information to specific locations can be tedious, however, when it is just a list of numbers. Labor market information superimposed on maps, on the other hand, can be easier to understand because it offers a "picture" of the conditions.

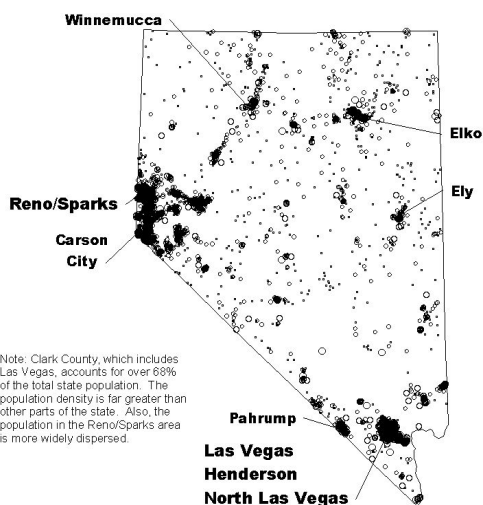
The spatial representation of data is accomplished through Geographic Information Systems (GIS), an integration of computer software and hardware, geography information, and labor market data. This tool allows us to present information in a concise way without excessive written explanation. Among other things, texture-coded maps easily display the contrast in statistics between different geographic locations. The viewer can obtain a more complete story from a picture than would be possible with text.

Two examples are the attached maps of Nevada. The first map shows population density—where Nevada's population is clearly shown to be concentrated in two major areas centered by Las Vegas in the south and Reno in the north. With the use of colors, which we can do with some presentations, we could show how the population is more concentrated in the Las Vegas area than in the north. (Black and white presentations do have some limits.) The second map shows the change in the labor force, by county, from 1998 to 1999—and it underscores the fact that the labor force is shifting from the rural areas of Nevada to the urban centers of Las Vegas and Reno.

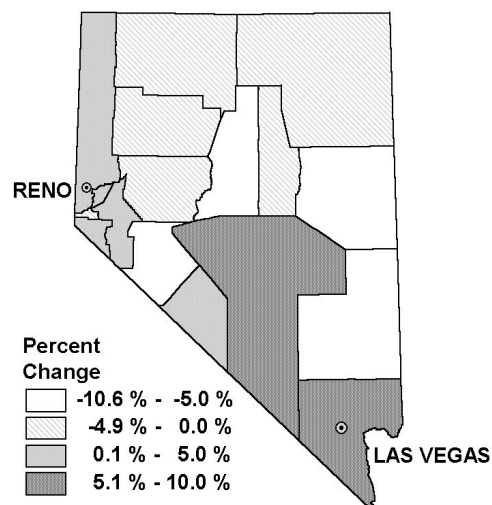
These two maps are broad-picture images. More specific and more localized information based on the detail desired is available.

GIS presents existing conditions as well as historical trends. And spatial representation can help to better understand possible future economic conditions in Nevada. For those reasons, the Department of Employment, Training and Rehabilitation is expanding its use of GIS to better serve the public.

Nevada Population Distribution



1998 - 1999 Labor Force Growth Rates



INDUSTRIAL EMPLOYMENT - SEASONALLY ADJUSTED¹

(in thousands)

NEVADA

	Oct. '99	Nov. '99	Dec. '99	Jan. '00	Feb. '00	Mar. '00
TOTAL	1001.6	1004.0	1007.0	1008.0	1008.4	1011.9
Mining	11.5	11.4	11.4	11.4	11.5	11.3
Construction	90.5	91.3	91.7	91.6	91.6	91.8
Manufacturing	42.5	42.7	42.7	43.0	42.9	43.0
<i>Durable Goods</i>	26.4	26.5	26.5	26.7	26.8	26.9
<i>Non-durable Goods</i>	16.1	16.2	16.2	16.3	16.1	16.1
TCPU	52.3	52.3	52.8	53.3	53.5	53.7
Trade	206.2	206.9	207.8	207.1	207.1	208.1
<i>Wholesale</i>	38.1	38.2	38.2	38.2	38.3	38.3
<i>Retail</i>	168.1	168.7	169.6	168.9	168.8	169.8
FIRE	44.4	44.7	44.6	44.6	44.6	44.7
Services	435.2	435.7	436.4	438.5	438.2	439.9
<i>HGR</i>	244.9	245.3	246.7	246.5	244.9	244.2
Government	119.0	119.0	119.6	118.5	119.0	119.4

¹ Seasonally adjusted data are adjusted for regularly occurring seasonal events that alter the economic status quo, e.g. Christmas. It will not be the same as unadjusted data.

Seasonally adjusted employment data is provided on a monthly basis on our Web site. Monthly data is provided for a number of sub-sectors, such as federal, state, and local government.

NOTE: Seasonal adjustment factors have not yet been established for the Las Vegas MSA and the Reno MSA for the current year. Seasonally adjusted data for these areas will be published when it becomes available.

State of Nevada
 Department of Employment, Training & Rehabilitation
 Research & Analysis Bureau
 500 E. Third Street
 Carson City, Nevada 89713-0001

NEVADA ECONOMY IN BRIEF

FEBRUARY 2000

Nevada's preliminary unemployment rate of 3.7 percent in February is the lowest recorded since June 1978. Each of the state's major economic areas (the Las Vegas and Reno Metropolitan Statistical Areas and the Carson City and Elko Labor Market Areas) reported a decline in the unemployment rate when compared both to one month ago and to one year ago. When coupled with solid, albeit slowing, statewide job growth, the numbers reflect the continued economic strength of Nevada's urban areas.

The state's leading industry appears to have survived Millennium fears that people would stay home over the New Year's Day holiday. Nevada's casinos saw a 7.3 percent year-over-year increase in statewide gaming win in January, breaking the existing single-month record by nearly \$50 million. Records were also set by Clark County, the Las Vegas Strip, and North Las Vegas.

The gaming industry has been in the news for other reasons as well. The Mirage Resorts Board of Directors has accepted a purchase offer from MGM Grand, a merger that will combine two of the key gaming companies on the Las Vegas scene. MGM Grand already owns its namesake hotel, the Strip's largest, as well as New York-New York and three hotels in Primm, on the California state line. The agreement would give MGM Grand control


of several other notable properties such as the Bellagio, Mirage, Treasure Island, and Golden Nugget. The one uncertain outcome of the deal is the future of Mirage Resorts' Chairman Steve Wynn, the man widely acknowledged as the driving, visionary force behind the resurgence of Las Vegas over the past decade.

Elsewhere in the state, there has been little change. The Reno MSA has reported an increasing rate of job growth since the middle of 1999, with solid gains in

several industries. The rural areas continue to suffer because gold prices have been unable to sustain a level above \$300 per ounce. The cities of Fallon and Winnemucca recently learned that J. C. Penney would close local stores, a decision costing each city about 20 jobs.

The news has not changed dramatically outside the state, either, but there are several possible sources of trouble. The Federal Reserve has raised interest rates again, and further increases are highly probable. Rising oil prices remain a major concern despite OPEC's agreement to increase production. Gasoline prices hover around \$2 per gallon in many of Nevada's feeder markets. California continues to report significant job creation and falling

unemployment, putting pressure on Nevada's labor supply. The hoped-for recovery of the Japanese economy appears to be on hold, as that nation reports that it is again officially in recession. Nevada's economy can likely overcome each individual problem, but any combination such as a national economic slowdown coupled with higher fuel prices poses a major threat to tourism.



**...continued
economic
strength of
Nevada's
urban
areas.**

NEVADA ECONOMIC DATA

INDUSTRIAL EMPLOYMENT DATA (NUMBER OF JOBS BY PLACE OF WORK)

NEVADA	FEB 00 ^P	FEB 99	JAN 00
TOTAL	999,300	950,400	997,000
MINING	11,300	12,500	11,300
CONSTRUCTION	88,000	89,500	88,900
MANUFACTURING	42,600	41,700	42,700
T.C.P.U.	52,900	50,000	52,900
TRADE	204,500	190,800	205,400
<i>wholesale</i>	37,900	36,400	37,900
<i>retail</i>	166,600	154,400	167,500
F.I.R.E.	44,600	43,500	44,500
SERVICES	434,800	404,600	433,700
<i>hotels/gaming/rec</i>	241,500	223,200	241,900
GOVERNMENT	120,600	117,800	117,600

LAS VEGAS MSA

TOTAL	729,800	689,500	729,500
MINING	1,800	1,900	1,800
CONSTRUCTION	70,700	73,300	71,200
MANUFACTURING	23,400	22,800	23,500
T.C.P.U.	39,300	36,700	39,200
TRADE	151,800	140,800	152,600
<i>wholesale</i>	23,300	22,000	23,200
<i>retail</i>	128,500	118,800	129,400
F.I.R.E.	34,200	33,200	34,000
SERVICES	330,300	305,900	329,800
<i>hotels/gaming/rec</i>	190,900	174,700	191,300
GOVERNMENT	78,300	74,900	77,400

RENO MSA

TOTAL	189,800	180,800	188,300
MINING	400	500	400
CONSTRUCTION	13,300	12,000	13,600
MANUFACTURING	13,600	13,500	13,600
T.C.P.U.	12,600	11,700	12,500
TRADE	43,200	40,700	43,200
<i>wholesale</i>	11,800	11,400	11,900
<i>retail</i>	31,400	29,300	31,300
F.I.R.E.	8,100	8,000	8,100
SERVICES	74,000	70,100	73,800
<i>hotels/gaming/rec</i>	31,700	30,900	31,700
GOVERNMENT	24,600	24,300	23,100

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LABOR FORCE DATA (BY PLACE OF RESIDENCE)

NEVADA	FEB 00 ^P	FEB 99	JAN 00
LABOR FORCE	960,400	922,000	951,500
EMPLOYMENT	924,400	881,900	909,000
UNEMPLOYMENT	36,000	40,100	42,500
UNEMP. RATE (see note)	3.7%	4.3%	4.1%

LAS VEGAS MSA

LABOR FORCE	745,900	709,300	741,500
EMPLOYMENT	718,300	681,700	709,100
UNEMPLOYMENT	27,600	27,600	32,400
UNEMP. RATE	3.7%	3.9%	4.4%

RENO MSA

LABOR FORCE	176,400	171,800	173,400
EMPLOYMENT	170,800	163,300	167,000
UNEMPLOYMENT	5,600	8,500	6,400
UNEMP. RATE	3.2%	4.9%	3.7%

UNITED STATES

UNEMP. RATE (see note)	4.1%	4.4%	4.3%
JOB GROWTH (see note)	2.0%	2.4%	2.3%

U.S. INFLATION DATA

CONSUMER PRICE INDEX (1982-84=100)	169.7	164.5	168.7
12-MONTH % CHANGE	3.2%	1.6%	2.7%

^P DATA FOR CURRENT MONTH IS PRELIMINARY

NOTE: NEVADA AND U.S. UNEMPLOYMENT RATES AND
U.S. JOB GROWTH RATE ARE SEASONALLY ADJUSTED.

*This data is prepared in conjunction with the Bureau
of Labor Statistics, U.S. Department of Labor.*

AVERAGE HOURS AND EARNINGS IN SELECTED NEVADA INDUSTRIES

	AVERAGE WEEKLY EARNINGS			AVERAGE WEEKLY HOURS			AVERAGE HOURLY EARNINGS		
	FEB ^P	FEB	JAN	FEB ^P	FEB	JAN	FEB ^P	FEB	JAN
	2000	1999	2000	2000	1999	2000	2000	1999	2000
MINING	\$945.00	\$943.73	\$971.83	45.0	47.4	46.7	\$21.00	\$19.91	\$20.81
CONSTRUCTION	793.41	783.97	806.26	38.2	37.8	38.8	20.77	20.74	20.78
MANUFACTURING	547.76	582.80	546.83	41.0	41.1	40.9	13.36	14.18	13.37
<i>durable goods</i>	550.62	558.95	546.80	42.0	41.9	41.9	13.11	13.34	13.05
<i>nondurable goods</i>	544.11	618.49	546.45	39.4	39.8	39.2	13.81	15.54	13.94
PUBLIC UTILITIES	877.80	918.48	895.85	41.8	44.5	42.7	21.00	20.64	20.98
TRADE	385.33	405.87	385.02	31.0	32.6	31.0	12.43	12.45	12.42
<i>wholesale</i>	653.22	763.44	646.56	38.2	41.2	38.1	17.10	18.53	16.97
<i>retail</i>	325.75	322.22	327.22	29.4	30.6	29.4	11.08	10.53	11.13

NEVADA ECONOMY IN BRIEF

JANUARY 2000

Each year at this time, industrial employment estimates are revised based on more complete information derived from other programs. The updated figures show that Nevada's 1999 employment growth averaged 6.4 percent for the year, and the Las Vegas MSA grew by 7.8 percent. Both figures exceeded preliminary estimates. The less-volatile Reno economy provided 2.8 percent more jobs in 1999, consistent with the two prior years and in line with earlier estimates.

The hotels, gaming, and recreation sector directly provided about 40 percent of the new jobs in the Las Vegas area, as several hotel-casinos opened during 1999. If the separately-owned restaurants and retail shops associated with major resorts are considered, the effect of the new casinos on southern Nevada's growth is even more impressive. With only one major resort scheduled to open in 2000, these results are not likely to be repeated. The employment opportunities this year will be largely in the retail trade sector. One developer alone will be working on fourteen shopping centers throughout the Las Vegas Valley in 2000, creating two million square feet of retail space and well over a thousand new jobs. Plans call for several million square feet of retail development in the next few years to support the booming Clark County population and rising visitor counts.

In the rural counties, the news is less positive. Another 100 mine workers have been laid off in

Humboldt County. White Pine County has seen its taxable retail sales fall by more than 20 percent in the second half of the year following a mine closure in June. Some mine exploration and development work is under way in northern Nevada, but it will probably be 2001 before a significant wave of hiring will occur.

California continues to cast a huge shadow over Nevada's future growth. The state posted its lowest unemployment rate in 31 years in January and created about 400,000 new jobs in 1999. California's unemployment rate has been steadily declining since early 1993. Northern Nevada's economic development agencies reported fewer relocation inquiries from out-of-state firms in 1999, a circumstance attributable in large part to California's economic health. Nevada's gaming industry also faces a new threat, as California voters have approved a ballot initiative that may significantly expand gaming on California's Indian reservations. Reno, Laughlin, and downtown Las Vegas are seen as particularly vulnerable.

The Federal Reserve Board continues to fight the specter of inflation. Its February interest rate boost was the fourth since the summer of 1999, and at least two more increases are expected. The Fed continues to fear wage inflation resulting from a tight labor market, but rising oil prices have been the major contributor to inflation so far. Fortunately, leisure travel has not yet been significantly impacted. Some moderation of petroleum prices is possible because producing nations are expected to increase supplies in coming months. The effects of rising wages—and rising interest rates—on the economy remain to be seen.



...employment
opportunities
...in the retail
trade
sector.

NEVADA ECONOMIC DATA

INDUSTRIAL EMPLOYMENT DATA (NUMBER OF JOBS BY PLACE OF WORK)

NEVADA	JAN 00 ^P	JAN 99	DEC 99
TOTAL	999,600	940,900	1,016,000
MINING	11,300	12,600	11,300
CONSTRUCTION	89,300	88,900	91,600
MANUFACTURING	42,700	41,600	42,800
T.C.P.U.	52,700	49,500	53,000
TRADE	206,400	190,600	212,500
<i>wholesale</i>	37,900	36,300	38,300
<i>retail</i>	168,500	154,300	174,200
F.I.R.E.	45,000	43,600	44,400
SERVICES	434,400	399,600	437,700
<i>hotels/gaming/rec</i>	241,700	220,900	244,000
GOVERNMENT	117,800	114,500	122,700

LAS VEGAS MSA

TOTAL	731,000	682,100	740,500
MINING	1,800	1,900	1,800
CONSTRUCTION	71,100	72,000	71,800
MANUFACTURING	23,500	22,700	23,700
T.C.P.U.	39,100	36,200	39,300
TRADE	153,300	140,600	157,500
<i>wholesale</i>	23,300	21,900	23,500
<i>retail</i>	130,000	118,700	134,000
F.I.R.E.	34,400	33,300	34,100
SERVICES	330,100	302,100	332,700
<i>hotels/gaming/rec</i>	191,100	173,000	193,100
GOVERNMENT	77,700	73,300	79,600

RENO MSA

TOTAL	188,900	179,500	193,300
MINING	400	500	400
CONSTRUCTION	13,900	12,600	14,800
MANUFACTURING	13,600	13,500	13,500
T.C.P.U.	12,500	11,700	12,500
TRADE	43,200	40,600	44,700
<i>wholesale</i>	11,900	11,300	12,000
<i>retail</i>	31,300	29,300	32,700
F.I.R.E.	8,200	8,000	8,200
SERVICES	74,100	69,500	74,500
<i>hotels/gaming/rec</i>	31,800	30,800	32,000
GOVERNMENT	23,000	23,100	24,700

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LABOR FORCE DATA (BY PLACE OF RESIDENCE)

NEVADA	JAN 00 ^P	JAN 99	DEC 99
LABOR FORCE	951,800	914,800	958,400
EMPLOYMENT	909,500	872,600	924,600
UNEMPLOYMENT	42,300	42,200	33,800
UNEMP. RATE (see note)	4.0%	4.2%	4.1%

LAS VEGAS MSA

LABOR FORCE	741,600	704,200	746,700
EMPLOYMENT	709,300	674,100	719,500
UNEMPLOYMENT	32,300	30,100	27,200
UNEMP. RATE	4.4%	4.3%	3.6%

RENO MSA

LABOR FORCE	173,600	170,300	176,000
EMPLOYMENT	167,200	162,000	171,400
UNEMPLOYMENT	6,400	8,300	4,600
UNEMP. RATE	3.7%	4.9%	2.6%

UNITED STATES

UNEMP. RATE (see note)	4.0%	4.3%	4.1%
JOB GROWTH (see note)	2.3%	2.2%	2.1%

U.S. INFLATION DATA

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	AVERAGE WEEKLY EARNINGS			AVERAGE WEEKLY HOURS			AVERAGE HOURLY EARNINGS		
	JAN ^P	JAN	DEC	JAN ^P	JAN	DEC	JAN ^P	JAN	DEC
	2000	1999	1999	2000	1999	1999	2000	1999	1999
MINING	\$977.60	\$946.47	\$940.73	47.0	47.3	45.8	\$20.80	\$20.01	\$20.54
CONSTRUCTION	802.38	856.52	791.32	38.8	41.7	37.7	20.68	20.54	20.99
MANUFACTURING	553.91	565.96	558.03	41.0	40.6	41.8	13.51	13.94	13.35
<i>durable goods</i>	550.57	542.19	559.44	41.9	41.2	43.3	13.14	13.16	12.92
<i>nondurable goods</i>	559.63	605.03	553.50	39.3	39.7	39.2	14.24	15.24	14.12
PUBLIC UTILITIES	885.60	896.38	906.48	42.7	44.2	42.9	20.74	20.28	21.13
TRADE	388.43	407.63	384.36	31.3	32.9	30.7	12.41	12.39	12.52
<i>wholesale</i>	659.88	695.98	655.82	39.0	40.3	39.2	16.92	17.27	16.73
<i>retail</i>	329.15	340.70	326.28	29.6	31.2	28.9	11.12	10.92	11.29